

**GUIDELINES ON APPLICATION FOR RECOGNITION AS A
PROFESSIONAL BODY UNDER SECTION 433(5) OF THE
COMPANIES ACT 2016**

BACKGROUND

Any person who is a member of a recognized professional body may apply to the Minister charged with the responsibility for finance to be approved as a liquidator under sub-section 433(3) the Companies Act 2016 (the Act).

2. The Minister (charged for companies) pursuant to sub-section 433(5) will prescribe a body to be a recognized professional body, in consultation with the Minister charged with the responsibility for finance. The prescription will be made via gazette by the Minister under the Companies Regulations XXXX.

APPLICATION

3. The applicant/institution is required to submit to the Registrar a comprehensive and detailed proposal containing the following information:

- (i) Background of the institution;
- (ii) Justifications as to why the institution should be granted the recognized professional body status under section 433(5) of the Act;
- (iii) Explanation on the benefits of the conferment of the recognized professional body status to:
 - The institution as an organization;
 - The members of the institution;
 - The corporate insolvency industry; and
 - Strategic impact to the country.
- (iv) Organisational structure of the institution;
- (v) Information pertaining to the institution's head office and branch locations (if any);
- (vi) Membership requirement (existing and future) that must reflect the academic and working experience requirements as stated in **Appendix 1**;
- (vii) Profile of the institution's Council Members;

- (viii) Terms of reference of the institution's Council Members;
- (ix) Information on the Professional/Entry Examination in particular:
 - Total credit hours for the overall programme until completion;
 - Number of subjects/papers to be completed;
 - Content of modules;
 - Standard training content/manuals;
 - Nature of assessment and sample of questions (quizzes, assignment, papers etc.);
 - Passing marks;
 - Marking scheme;
 - Results listing for the past 3 years;
 - Samples of examination questions for the past 3 years; and
 - Samples of marked answers scripts for the past 3 years (5 to 10 scripts per subject);
- (x) Information pertaining to the members of the institution's Investigation Committee (IC) and Disciplinary Committee (DC) and the process of appointment of these Committee Members. Information about the referral process from IC to DC and the appeal process (including referral reports for the past 3 years and report on cases that have been disposed by DC for the past 3 years);
- (xi) Complaints mechanism;
- (xii) Information pertaining to the institutions' Continuing Professional Development (CPD) Programmes in particular:
 - Total CPD hours for each member annually;
 - Guideline on the types of CPD programmes to be attended by members;
 - The training programmes conducted by the institution which carry CPD points, its syllabus and contents; and
 - Accreditation with training programmes of other institutions and the contents;
- (xiii) Financial Statements for the past 3 years;
- (xiv) Source of revenue/funding;
- (xv) Annual schedule of activities undertaken by the institution for the past 3 years;

- (xvi) Information pertaining to legal suits initiated/faced for the past 3 years (if any);
- (xvii) Statements/explanation pertaining to the approved liquidators' license held by existing members and the institution's course of action *vis-a-vis* the conferment of the prescribed body status;
- (xviii) Awards and accolades (if any);
- (xix) List of publications (if any); and
- (xx) Future development plans.

4. All the above information must be submitted to the Registrar in narrative form attaching the necessary documents/information to substantiate the facts/statements stated therein, where necessary.

Companies Commission of Malaysia
Xx/xx/ 2017

QUALIFICATION OF AN APPROVED LIQUIDATOR UNDER THE COMPANIES ACT 2016

THE PROPOSED FRAMEWORK FOR LIQUIDATORS' QUALIFICATION		
Qualification through Recognised Professional Bodies, Examination and Interview		
1.	For new Applicant	<p><u>ACADEMIC QUALIFICATION</u></p> <p>Applicant must possess either:</p> <ul style="list-style-type: none"> i) Accounting Degree ii) Law Degree; or iii) any other qualifications coupled with necessary experience that, in the opinion of the Recognised Professional Bodies are equivalent to the above qualifications. <p>The applicant must have completed company law or commercial law (which includes company law) as part of the academic qualification.</p> <p><u>WORKING EXPERIENCE</u></p> <p>The applicant must have at least five years of Insolvency working experience out of which at least 3 years in a managerial position responsible for company liquidation/insolvency. <i>(There could be exemption for persons who have more than 5 years Insolvency working experience but insufficient years in managerial position. To consider devising alternative requirements to replace this, which is equivalent to 'fit and proper person' criteria for liquidators).</i></p> <p><u>RECOGNISED PROFESSIONAL BODIES (RPBs)</u></p> <p>The applicant must be a member of any of the following RPBs:</p> <ul style="list-style-type: none"> i) The Malaysian Institute of Accountants (MIA); or ii) Any other professional bodies to be prescribed by the Minister (Section 433, Companies Act 2016). <p>The applicant must meet the requirements of academic qualification and working experience in order to be a member of any of the RPBs.</p>

		<p><u>INSOLVENCY LAW AND PRACTICE EXAMINATION</u></p> <p>The applicant must pass the Insolvency Law and Practice examination consists of the following syllabus:</p> <ul style="list-style-type: none"> i) Receivership; ii) Winding Up & Liquidation; iii) Financial, restructuring and taxation; iv) Corporate Voluntary Arrangement; and v) Judicial Management. <p><u>INTERVIEW</u></p> <p>The applicant must finally pass an oral interview by the panel interviewers comprising representatives from MOF, SSM and other related institutions to be determined).</p>
<p>2.</p>	<p>For existing Liquidators</p>	<p>An approved liquidator who has already obtained the necessary approval prior to the commencement of the new Companies Act 2016 is required to become a member of any of the RPBs before the enforcement of the new Act.</p>