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Act 609

PERBADANAN LABUAN ACT 2001

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PERBADANAN LABUAN ACT 2001

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LAWS OF MALAYSIA**Act 609****PERBADANAN LABUAN ACT 2001**

An Act to repeal the Lembaga Pembangunan Labuan Act 1992 and to revoke the Labuan Municipal Council Instrument 1983; to dissolve the Lembaga Pembangunan Labuan and the Labuan Municipal Council; to establish the Perbadanan Labuan in place of the Lembaga Pembangunan Labuan and the Labuan Municipal Council; and to provide for matters connected therewith.

[1 July 2001, P.U. (B) 128/2001]

ENACTED by the Parliament of Malaysia as follows:

PART I**PRELIMINARY****Short title and commencement**

1. (1) This Act may be cited as the Perbadanan Labuan Act 2001.

(2) This Act shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint and the Minister may appoint different dates for the coming into operation of different provisions of this Act.

Interpretation

2. In this Act, unless the context otherwise requires—

“Chief Executive Officer” means the Chief Executive Officer appointed under subsection 10(1) and includes any officer directed under subsection 10(6) to perform the duties of the Chief Executive Officer;

“Fund” means the Fund established under section 13;

“Advisory Council” means the Advisory Council established under section 6;

“Minister” means the Minister of Finance;

“Chairman” means the Chairman of the Perbadanan appointed under section 5;

“Perbadanan” means the Perbadanan Labuan established under section 3.

PART II

THE PERBADANAN

Establishment of the Perbadanan

3. (1) A body corporate by the name of “Perbadanan Labuan” is established.

(2) The Perbadanan shall have perpetual succession and a common seal.

(3) The Perbadanan may sue and be sued in its name.

(4) Subject to and for the purposes of this Act, the Perbadanan may, upon such terms as it deems fit—

(a) enter into contracts;

(b) acquire, purchase, take, hold and enjoy movable and immovable property of every description; and

(c) convey, assign, surrender, yield up, charge, mortgage, demise, reassign, transfer or otherwise dispose of, or deal with, any movable or immovable property or any interest therein vested in the Perbadanan.

Functions and powers of the Perbadanan

4. (1) The functions of the Perbadanan shall be—

(a) to promote and stimulate the Federal Territory of Labuan as a tourist destination, duty free area and trade centre;

- (b) to promote, stimulate, facilitate and undertake economic and social development in the Federal Territory of Labuan;
- (c) to promote, stimulate and undertake the development of art, culture, sport and recreational activities in the Federal Territory of Labuan;
- (d) to promote, stimulate, facilitate and undertake the development of tourism and infrastructure as well as residential, agricultural, industrial and commercial development in the Federal Territory of Labuan;
- (e) to perform all functions of a local government in the Federal Territory of Labuan;
- (f) to perform all functions of a local planning authority in the Federal Territory of Labuan;
- (g) to control and co-ordinate the performance of the activities mentioned in paragraphs (a), (b), (c) and (d) in the Federal Territory of Labuan; and
- (h) to co-ordinate the performance of the activities carried out by Government agencies in the Federal Territory of Labuan.

(2) The Perbadanan shall have power to do all things expedient or reasonably necessary for, or incidental to, the performance of its functions, and in particular, but without prejudice to the generality of the foregoing—

- (a) to carry on all activities, particularly activities which are commercial or industrial in nature, activities relating to tourism and activities of research and training, the carrying on whereof appears to it to be requisite, advantageous or convenient for or in connection with the performance of its functions;
- (b) to initiate preliminary studies of possible development and redevelopment areas and make preliminary plans outlining development or redevelopment activities and preliminary surveys to determine if the undertaking and carrying out of development or redevelopment projects are feasible;

- (c) to regulate, approve or control all buildings and building operations and the repair and removal of ruinous and dangerous buildings, including the power to prohibit, close and demolish the erection of a building of a particular class, design or appearance in the Federal Territory of Labuan;
- (d) to co-operate with or act as agent or managing agent of, or otherwise act in association with or on behalf of, the Federal Government, any public authority, any company or corporation, or any other body or person;
- (e) to promote and co-ordinate the carrying on of the activities mentioned in paragraphs (a) and (b) by the Federal Government, any public authority, any company or corporation, or anybody or person;
- (f) with the approval of the Minister, to establish or expand, or promote the establishment or expansion of, companies, corporations or other bodies to carry on any of the activities mentioned in paragraphs (a) and (b) either under the control or partial control of the Perbadanan or independently;
- (g) to give assistance to any public authority, any company or corporation, or any other body or person appearing to the Perbadanan to have facilities for the carrying on of any of the activities mentioned in paragraphs (a) and (b), including, with the approval of the Minister, financial assistance by the taking up of share or loan capital or by loan or otherwise;
- (h) with the approval of the Minister, to underwrite or otherwise acquire any stock and shares in any public or private company, and to dispose of the stock or shares on such terms and conditions as the Perbadanan may, with the approval of the Minister, determine;
- (i) to require the Federal Government, any public authority, any company or corporation, or any body or person to obtain the prior approval of the Perbadanan before carrying out development in the Federal Territory of Labuan;

- (j) with the approval of the Minister, to dispose of capital assets and to use the proceeds from such disposal as directed by the Minister;
- (k) to appoint such agents as it may deem fit for the purpose of performing its functions;
- (l) to impose fees or any other charges it deems fit for giving effect to any of its functions or powers;
- (m) to regulate, co-ordinate and undertake development, including the development of infrastructure, in the Federal Territory of Labuan;
- (n) to value and collect property assessment tax; and
- (o) to do such other things as it deems fit to enable it to carry out its functions and powers effectively.

(3) Subject to section 7, it shall be the responsibility of the Perbadanan in performing its functions under this Act to ensure that the functions are performed in such manner as shall be in furtherance of the policy of the Federal Government for the time being in force and in particular the policy relating to the development of investment and tourism in the Federal Territory of Labuan.

Membership of the Perbadanan

5. (1) The Perbadanan shall consist of the following members who shall be appointed by the Minister:

- (a) a Chairman;
- (b) a Deputy Chairman; and
- (c) four other members.

(2) The Minister may, in respect of each member appointed under paragraph (1)(c) appoint an alternate member to attend, in place of that member, meetings of the Perbadanan when the member is for any reason unable to attend.

(3) When attending meetings of the Perbadanan, an alternate member shall for all purposes be deemed to be a member of the Perbadanan.

(4) An alternate member shall, unless he sooner resigns his membership or his appointment is sooner revoked, cease to be an alternate member when the member in respect of whom he is an alternate ceases to be a member of the Perbadanan.

(5) The provisions of the First Schedule shall apply to the Perbadanan.

Advisory Council

6. (1) The Perbadanan shall establish an Advisory Council which shall consist of the following members who shall be appointed by the Minister:

(a) a chairman; and

(b) six other members who shall consist of at least three local residents of the Federal Territory of Labuan.

(2) The Advisory Council shall be responsible for the giving of advice to the Perbadanan in relation to the functions of a local government carried out by the Perbadanan.

(3) The provisions of the Second Schedule shall apply to the Advisory Council.

Power of Minister to give directions

7. (1) The Perbadanan shall be responsible to the Minister.

(2) The Minister may, from time to time, give directions which are consistent with the provisions of this Act and the Perbadanan shall, as soon as possible, give effect to all such directions.

Returns, reports, accounts and information

8. (1) The Perbadanan shall furnish to the Minister, and such public authority as may be directed by the Minister, such returns, reports, accounts and information with respect to its property and activities as the Minister may, from time to time, require or direct.

(2) Without prejudice to the generality of subsection (1), the Perbadanan shall, as soon as practicable after the end of each financial year, cause to be made and transmitted to the Minister and, if so directed by the Minister, to any other public authority a report dealing with the activities of the Perbadanan during the preceding financial year.

(3) The report under subsection (2) shall be in such form and shall contain such information relating to the proceedings and policy of the Perbadanan as the Minister may, from time to time, specify.

PART III

CHAIRMAN, OFFICERS AND SERVANTS OF THE PERBADANAN

The Chairman

9. (1) Without prejudice to the other provisions of this Act, the Chairman shall perform such duties as the Minister may, from time to time, determine.

(2) The Perbadanan may, with the approval of the Minister, delegate to the Chairman all or any of the functions, powers or duties, vested in or imposed on the Perbadanan by this Act and any function, power or duty so delegated may be performed, exercised or discharged by the Chairman in the name and on behalf of the Perbadanan.

(3) Every delegation under subsection (2) shall be published in the *Gazette*.

The Chief Executive Officer

10. (1) The Perbadanan may, with the approval of the Minister, appoint a Chief Executive Officer on such terms and conditions as it may think desirable.

(2) The Chief Executive Officer shall be responsible for—

(a) the preparation of programs, schemes and projects for the consideration of the Perbadanan;

- (b) the execution of all programs, schemes and projects of the Perbadanan; and
- (c) the carrying out of the decisions of the Perbadanan and the directions of the Chairman.

(3) The Chief Executive Officer shall have general control of the other officers and servants of the Perbadanan.

(4) The Chief Executive Officer shall perform such further duties as the Perbadanan may, from time to time, direct.

(5) In discharging his duties, the Chief Executive Officer shall act under the general authority and direction of the Perbadanan.

(6) If the Chief Executive Officer is temporarily absent from Malaysia or is temporarily incapacitated through illness or for any other reason from the performance of his duties, the Perbadanan may direct any other officer to perform his duties during such temporary absence or incapacity.

Appointment of other officers and servants of the Perbadanan

11. (1) Subject to any regulations made under subsection (3), the Perbadanan may appoint on such terms and conditions as it may think desirable such other officers and servants as may be necessary for carrying out the purposes of this Act.

(2) No person shall be eligible for employment as an officer or servant of the Perbadanan if he has, directly or indirectly, by himself or his partner, any share or interest in any contract or proposed contract with, for or on behalf of the Perbadanan.

(3) The Perbadanan may, with the approval of the Minister, make regulations with respect to the conditions of service of its officers and servants.

Discipline

12. The Perbadanan shall have disciplinary authority over all its officers and servants and shall exercise disciplinary control in respect of all such persons.

PART IV

FINANCE

The Fund

13. (1) A fund to be known as the “Perbadanan Labuan Fund” to be administered and controlled by the Perbadanan is established.

(2) The Fund shall consist of—

- (a) such sums as may be provided from time to time for the purposes of this Act by Parliament;
- (b) such sums as may be paid from time to time to the Perbadanan from loans made by the Perbadanan;
- (c) moneys earned by the operation of any project, scheme or enterprise financed from the Fund;
- (d) moneys earned or arising from any property, investment, mortgage, charge or debenture acquired by or vested in the Perbadanan;
- (e) any property, investment, mortgage, charge or debenture acquired by or vested in the Perbadanan;
- (f) sums borrowed by the Perbadanan for the purposes of meeting any of its obligations or discharging any of its duties; and
- (g) all other sums or property, other than sums mentioned in subsection 17(2), which may in any manner become payable to or vested in the Perbadanan in respect of any matter incidental to its functions, powers and duties.

Expenditure to be charged on the Fund

14. The Fund shall be expended for the purpose of—

- (a) granting loans under section 23;
- (b) paying any expenditure lawfully incurred by the Perbadanan, including survey and legal fees and costs and other fees and costs, and the remuneration of officers and servants of the Perbadanan, including the granting of loans, superannuation allowances, pensions or gratuities;

- (c) paying any other expenses, costs or expenditure properly incurred or accepted by the Perbadanan in the performance of its functions or the exercise of its powers under this Act;
- (d) purchasing or hiring plant, equipment, machinery and materials, acquiring land and other assets, and erecting buildings, and carrying out any other works and undertakings in the performance of its functions or the exercise of its powers under this Act;
- (e) repaying any moneys borrowed under this Act and the interest due thereon; and
- (f) generally, paying any expenses for carrying into effect the provisions of this Act.

Conservation of the Fund

15. It shall be the duty of the Perbadanan to conserve the Fund by so performing, exercising and discharging its functions, powers and duties under this Act as to secure that the total revenues of the Perbadanan are sufficient to meet all sums properly chargeable to its revenue account, including depreciation and interest on capital, taking one year with another.

Reserve fund

16. The Perbadanan shall establish and manage a reserve fund within the Fund.

Improvement Service Fund

17. (1) The Perbadanan shall establish and manage a fund to be known as the “Improvement Service Fund”.

(2) The Improvement Service Fund shall consist of any sums contributed by any person who erects a building in the Federal Territory of Labuan in accordance with the rates prescribed by regulations.

(3) The Improvement Service Fund shall be expended for the purpose of carrying out works to improve the existing infrastructural facilities.

Expenditure and preparation of estimates

18. (1) The expenditure of the Perbadanan up to such amount as may be authorized by the Minister for any one year shall be defrayed out of the Fund.

(2) Before the beginning of September of each year, the Perbadanan shall submit to the Minister an estimate of the expenditure, including the expenditure for development projects, for the following year in such form and containing such particulars as the Minister may direct; and the Minister shall, before the beginning of the following year, notify the Perbadanan of the amount authorized for expenditure generally or of the amounts authorized for each description of expenditure.

(3) The Perbadanan may at any time submit to the Minister a supplementary estimate for any one year and the Minister may allow the whole or any part of the additional expenditure included therein.

(4) The Minister may direct the Perbadanan to submit a copy of the estimate or supplementary estimate, as the case may be, to such other public authority as may be specified in the direction.

Statutory Bodies (Accounts and Annual Reports) Act 1980

19. The Statutory Bodies (Accounts and Annual Reports) Act 1980 [*Act 240*] shall apply to the Perbadanan and any corporation established under section 24.

PART V

OTHER POWERS OF THE PERBADANAN

Power to borrow

20. (1) The Perbadanan may from time to time, with the approval of the Minister, borrow, at such rate of interest and for such period and upon such terms as to the time and method of repayment and otherwise as the Minister may approve, any sums required by the Perbadanan for meeting any of its obligations or discharging any of its duties.

(2) The Perbadanan may from time to time, with the approval of the Minister, borrow money by the issue of bonds, debentures or stock of such class and value and upon such terms as it may, with the approval of the Minister, deem expedient, for all or any of the following purposes:

- (a) the provision of working capital;
- (b) the performance of the functions, the exercise of the powers and the discharge of the duties of the Perbadanan under this Act;
- (c) the performance of such additional functions as may be undertaken by the Perbadanan under this Act;
- (d) the redemption of any shares or stock which the Perbadanan is required or entitled to redeem; and
- (e) any other expenditure properly chargeable to capital account.

Investment

21. The assets of the Perbadanan, in so far as they are not required to be expended by the Perbadanan under this Act, shall be invested in such manner as the Minister may approve.

Power to employ

22. The Perbadanan may employ and pay agents and technical advisers, including advocates and solicitors, bankers, stockbrokers, surveyors, valuers and other persons, to transact any business or to do any act required to be transacted or done in the performance of its functions, the exercise of its powers or the discharge of its duties or for the better carrying into effect the purposes of this Act.

Power to grant loans

23. In the performance of its functions, the exercise of its powers or the discharge of its duties the Perbadanan may, with the approval of the Minister, grant loans, and such loans may be

granted subject to such terms and conditions as the Perbadanan may, with the approval of the Minister, deem fit to impose in particular cases.

Power to establish corporations

24. (1) The Perbadanan may from time to time, with the approval of the Minister, by order published in the *Gazette*, establish a corporation, by such name as the Perbadanan may think fit, to carry out and have the charge, conduct and management of any project, scheme or enterprise which has been planned or undertaken by the Perbadanan in the performance of its functions, the exercise of its powers or the discharge of its duties.

(2) The provisions of the Third Schedule shall apply to every corporation established by the Perbadanan under subsection (1).

Acquisition of land

25. (1) When any land in the Federal Territory of Labuan, not being State land, is needed to be acquired by the Perbadanan for the purposes of this Act, such land may be acquired in accordance with the provisions of any written law for the time being in force in the Federal Territory of Labuan relating to the acquisition of land for a public purpose, and any declaration required by any such written law that such land is so needed may be made notwithstanding that compensation is to be paid by the Perbadanan, and such declaration shall have effect as if it were a declaration that such land is needed for a public purpose in accordance with such written law.

(2) All expenses and compensation payable for the acquisition of any land under this section shall be paid by the Perbadanan.

(3) Where any land has been acquired under this section, the Perbadanan shall extract the necessary documents of title in respect of such land and shall pay any rent to which such land may be subject.

PART VI

GENERAL

Obligation of secrecy

26. (1) Except for any of the purposes of this Act or for the purpose of any civil or criminal proceedings under any written law, no member, officer or servant of the Perbadanan shall disclose any information which has been obtained by him in the course of his duties and which is not published in pursuance of this Act.

(2) Any person contravening subsection (1) commits an offence and shall on conviction be liable to imprisonment, for a term not exceeding six months or to a fine not exceeding one thousand ringgit or to both.

Protection of officers and servants

27. No action or prosecution shall be brought, instituted or maintained in any court against—

- (a) the Chief Executive Officer or any other officer or servant duly appointed under this Act for or on account of or in respect of any act ordered to be done or done for the purpose of carrying this Act into effect; and
- (b) any other person for or on account of or in respect of any act done or purported to be done by him under the order, direction or instruction of the Chief Executive Officer or any other officer or servant duly appointed under this Act if the act was done in good faith and in a reasonable belief that it was necessary for the purpose intended to be served by it.

Public Authorities Protection Act 1948

28. The Public Authorities Protection Act 1948 [*Act 198*] shall apply to any action, suit, prosecution or proceedings against the Perbadanan or against any member, officer, servant or agent of the Perbadanan in respect of any act, neglect or default done or committed by him in such capacity.

Public servants

29. All members, officers and servants of the Perbadanan, while discharging their duties as such members, officers and servants, shall be deemed to be public servants within the meaning of the Penal Code [*Act 574*].

Power to make regulations

30. (1) The Perbadanan may, with the approval of the Minister make such regulations as may be expedient or necessary for the better carrying out of the provisions of this Act.

(2) Without prejudice to the generality of subsection (1) regulations may be made for—

- (a) regulating the development of land in the Federal Territory of Labuan and generally providing for the orderly development of land in the Federal Territory of Labuan;
- (b) prescribing the manner in which documents, cheques and instruments of any description shall be signed or executed on behalf of the Perbadanan;
- (c) prescribing the responsibilities and control of officers and servants of the Perbadanan;
- (d) imposing fees in such cases as may be determined by the Perbadanan;
- (e) providing for such matters in connection with shares stock, bonds, debentures or debenture stock issue under this Act as may appear necessary or expedient to the Perbadanan, and, in particular, for regulating the method of issue, transfer, redemption or other dealing with such shares, stock, bond, debentures or debenture stock;
- (f) prescribing the rate for contribution to the Improvement Service Fund;
- (g) prescribing the manner in which and the terms and conditions on which loans may be granted by the Perbadanan under section 23; and

(h) providing generally for the performance of the functions, the exercise of the powers and the discharge of the duties of the Perbadanan under the provisions of this Act.

(3) Regulations under this section—

(a) may provide that any act or omission in contravention of any provision of such regulations shall be an offence;

(b) may provide for the imposition of penalties for such offences which shall not exceed five hundred thousand ringgit;

(c) may provide for the imposition of an additional penalty up to fifty per cent for a similar recurring offence; and

(d) may provide for the compounding of offences under this Act and such regulations.

PART VII

REPEAL, SAVINGS AND TRANSITIONAL

Interpretation in relation to Part VII

31. In this Part, unless the context otherwise requires—

“repealed Act” means the Lembaga Pembangunan Labuan Act 1992 [*Act 480*] repealed under section 32;

“appointed day” means the day this Act comes into operation or, where different dates have been appointed for different provisions of this Act, the day this Part comes into operation;

“dissolved Lembaga” means the Lembaga Pembangunan Labuan dissolved under section 32;

“dissolved Council” means the Labuan Municipal Council dissolved under section 32;

“revoked Instrument” means the Labuan Municipal Council Instrument 1983 [*Sabah No. S34 of 1983*] revoked under section 32.

Repeal and dissolution

32. (1) The Lembaga Pembangunan Labuan Act 1992 is repealed and the Lembaga Pembangunan Labuan (Exercise of Powers by Labuan Municipal Council) Order 1997 [*P.U. (A) 241/1997*] and the Labuan Municipal Council Instrument 1983 are revoked.

(2) The Lembaga Pembangunan Labuan established under the repealed Act and the Labuan Municipal Council established under the revoked Instrument are dissolved.

Transfer of powers, etc.

33. The powers, rights, privileges, liabilities, obligations and duties that before the appointed day were those of the dissolved Lembaga and the dissolved Council shall devolve as from that day on the Perbadanan.

Transfer of property

34. (1) All lands that before the appointed day were vested in, or reserved under any written law relating to land for the purposes of, the dissolved Lembaga and the dissolved Council shall on that day vest in or be deemed to be reserved for the purposes of the Perbadanan.

(2) All property and assets other than land that before the appointed day were vested in the dissolved Lembaga and the dissolved Council or in any person on behalf of the dissolved Lembaga or the dissolved Council, as the case may be, shall on that day vest in the Perbadanan.

(3) All deeds, agreements, instruments and arrangements subsisting before the appointed day and affecting any of the property transferred under this section shall have full force and effect against or in favour of the Perbadanan and shall be enforceable as fully and effectually as if, instead of the dissolved Lembaga or the dissolved Council or any person acting on behalf of the dissolved Lembaga or the dissolved Council, the Perbadanan had been named therein or had been a party thereto.

Transfer of moneys to the Fund

35. (1) All moneys standing in or due to be paid to the fund of the dissolved Lembaga shall on the appointed day be transferred to and be deemed to be part of the Fund.

(2) The fund established by the dissolved Council under the Local Government Ordinance Sabah [*Sabah Ord. 11 of 1961*] is dissolved and all moneys standing in or due to be paid to such fund shall on the appointed day be transferred to and be deemed to be part of the Fund.

Membership of dissolved Lembaga and dissolved Council

36. (1) Notwithstanding anything to the contrary, the persons who held office immediately before the appointed day as members of the dissolved Lembaga and the dissolved Council and members of any committee appointed under the revoked Instrument shall cease to hold office on the appointed day.

(2) Nothing in subsection (1) shall affect the accountability of the outgoing members of the dissolved Lembaga and the dissolved Council.

(3) As soon as practicable after the appointed day, the dissolved Lembaga and the dissolved Council shall prepare and submit to the Minister the reports, including the financial statements, required under the repealed Act or the Local Government Ordinance of Sabah for the period from 1 January of the relevant year to the day before the appointed day.

(4) Notwithstanding section 32, the dissolved Lembaga and the dissolved Council shall be deemed to continue to exist for the purposes of subsections (2) and (3).

Continuance of officers and servants

37. The persons who immediately before the appointed day were employed as officers and servants of the dissolved Lembaga or the dissolved Council shall become officers and servants of the Perbadanan under this Act as if those persons had been appointed under subsection 11(1) of this Act on the same terms and conditions as applied to those persons immediately before the appointed day.

Continuance of pending applications, etc.

38. (1) All applications, approvals or decisions, on appeal or otherwise, pending before the dissolved Lembaga or the dissolved Council immediately before the appointed day shall on the appointed day be dealt with by the Perbadanan under this Act and the relevant laws.

(2) All instruments, certificates or documents lodged with the dissolved Lembaga or the dissolved Council before the appointed day shall on the appointed day be deemed to have been lodged with the Perbadanan and shall continue to be lodged with the Perbadanan.

(3) Any proceedings, whether civil or criminal, or cause of action pending or existing before the appointed day by or against the dissolved Lembaga or the dissolved Council or any person acting on behalf of the dissolved Lembaga or the dissolved Council may be continued or instituted by or against the Perbadanan as it might have been by or against the dissolved Lembaga, the dissolved Council or such person if this Act had not been enacted.

(4) Any appeal brought or any leave to appeal applied for on or after the appointed day against a decision given before that day in any legal proceedings to which the dissolved Lembaga or the dissolved Council was a party may be brought or applied for by or against the Perbadanan.

Reference in law or document

39. (1) A reference in any law or document to the dissolved Lembaga or the dissolved Council shall be construed as a reference to the Perbadanan.

(2) A reference in any law or document to the Chairman of the dissolved Lembaga or to the President of the dissolved Council shall be construed as a reference to the Chairman of the Perbadanan.

FIRST SCHEDULE

[Subsection 5(5)]

Appointment, revocation and resignation

1. (1) Subject to such conditions as may be specified in his instrument of appointment, a member of the Perbadanan shall hold office for a term not exceeding three years and is eligible for reappointment.

(2) The appointment of any member may at any time be revoked by the Minister without assigning any reason for the revocation.

(3) A member may at any time resign his office by letter addressed to the Minister.

Member of Perbadanan to devote time to business of the Perbadanan

2. Every member of the Perbadanan shall devote such time to the business of the Perbadanan as may be necessary to discharge his duties effectively.

Vacation of office

3. The office of a member of the Perbadanan is vacated—

- (a) if he dies;
- (b) if there has been proved against him, or he has been convicted on, a charge in respect of—
 - (i) an offence involving fraud, dishonesty or moral turpitude;
 - (ii) an offence under any law relating to corruption or under section 26; or
 - (iii) any other offence punishable with imprisonment (in itself only or in addition to or in lieu of a fine) for more than two years;
- (c) if he becomes a bankrupt;
- (d) if he is of unsound mind or is otherwise incapable of discharging his duties;
- (e) if he absents himself from three consecutive meetings of the Perbadanan without leave of the Chairman;
- (f) if his resignation is accepted, by the Minister; or
- (g) if his appointment is revoked by the Minister.

Filling of vacancy

4. Where any person ceases to be a member of the Perbadanan by reason of any of the provisions of this Act, the Minister may appoint another person to fill the vacancy.

Remuneration or allowance

5. There may be paid to the members of the Perbadanan such remuneration or allowance as the Minister may determine.

Meetings

6. (1) The Perbadanan shall meet at least once in every two months at such time and place as may be appointed by the Chairman.

(2) The Chairman shall preside at a meeting of the Perbadanan.

(3) The quorum of the Perbadanan shall be four.

(4) Every member of the Perbadanan present shall be entitled to one vote.

(5) If on a question to be determined by the Perbadanan there is an equality of votes, the Chairman shall have a casting vote.

Perbadanan may invite others to meetings

7. The Perbadanan may invite any other person to attend any meeting or discussion of the Perbadanan for the purpose of advising it on any matter under discussion, but any person so attending shall have no right to vote at the meeting or discussion.

Common seal

8. (1) The Perbadanan shall have a common seal which shall bear such device as the Perbadanan shall approve and such seal may be broken, changed, altered or made anew as the Perbadanan may think fit.

(2) Until a seal is provided by the Perbadanan, a stamp bearing the words "Perbadanan Labuan" may be used and shall be deemed to be the common seal of the Perbadanan.

(3) The common seal shall be kept in the custody of the Chairman or such other person as may be authorized by the Perbadanan, and shall be authenticated by the Chairman or such authorized person or by any officer authorized by either of them in writing; and all deeds, documents or other instruments purporting to be sealed with that seal, authenticated as specified in this subparagraph, shall, until the contrary is proved, be deemed to have been validly executed.

(4) Notwithstanding subparagraph (3), any document or instrument which if executed by a person who is not a body corporate would not be required to be under seal may in like manner be executed by the Perbadanan; and any

such document or instrument may be executed on behalf of the Perbadanan by any officer or servant of the Perbadanan generally or specially authorized by the Perbadanan in that behalf.

(5) The common seal of the Perbadanan shall be officially and judicially noticed.

Disclosure of interest

9. A member of the Perbadanan having, directly or indirectly, by himself or his partner, any interest in any company or undertaking with which the Perbadanan proposes to make any contract or having any interest in any such contract or in any matter under discussion by the Perbadanan shall disclose to the Perbadanan the fact and the nature of his interest and such disclosure shall be recorded in the minutes of the Perbadanan and, unless specifically authorized by the Chairman, such member shall take no part in any discussion or decision of the Perbadanan relating to the contract or matter.

Minutes

10. (1) The Perbadanan shall cause minutes of all its meetings to be maintained and kept in a proper form.

(2) Any minutes made of a meeting of the Perbadanan shall, if duly signed, be admissible in evidence in all legal proceedings without further proof.

(3) Every meeting of the Perbadanan in respect of the proceedings of which minutes have been made in accordance with subparagraphs (1) and (2) shall be deemed to have been duly convened and held and all members thereof to have been duly qualified to act.

Validity of acts and proceedings

11. No act done or proceeding taken under this Act shall be questioned on the ground of—

- (a) any vacancy in the membership of, or any defect in the constitution of, the Perbadanan;
- (b) the contravention by any member of the Perbadanan of the provisions of paragraph 9; or
- (c) any omission, defect or irregularity not affecting the merits of the case.

Procedure

12. Subject to this Act, the Perbadanan shall determine its own procedure.

SECOND SCHEDULE

[Subsection 6(3)]

Appointment, revocation and resignation

1. (1) Subject to such conditions as maybe specified in his instrument of appointment, a member of the Advisory Council shall hold office for a term not exceeding three years and is eligible for reappointment.

(2) The appointment of any member of the Advisory Council may at any time be revoked by the Minister without assigning any reason for the revocation.

(3) A member of the Advisory Council may at any time resign his office by letter addressed to the Minister.

(4) Every member of the Advisory Council shall devote such time to the business of the Advisory Council as is necessary to discharge his duties effectively.

Vacation of office

2. (1) The office of a member of the Advisory Council is vacated—
- (a) if he dies;
 - (b) if there has been proved against him, or he has been convicted on, a charge in respect of—
 - (i) an offence involving fraud, dishonesty or moral turpitude;
 - (ii) an offence under any law relating to corruption or under section 26; or
 - (iii) any other offence punishable with imprisonment (in itself only or in addition to or in lieu of a fine) for more than two years;
 - (c) if he becomes bankrupt;
 - (d) if he is of unsound mind or is otherwise incapable of discharging his duties;
 - (e) if he absents himself from three consecutive meetings of the Advisory Council without leave of the chairman;
 - (f) if his resignation is accepted by the Minister; or
 - (g) if his appointment is revoked by the Minister.

(2) Where any person ceases to be a member of the Advisory Council by reason of any of the provisions of this Act, another person shall be appointed in his place under subsection 6(1).

Remuneration or allowance

3. There may be paid to members of the Advisory Council or any other person (not being an officer or servant of the Perbadanan) such remuneration or allowance as the Minister may determine.

Meetings

4. (1) The Advisory Council shall meet at least once in every two months at such time and place as may be appointed by the chairman.

(2) The chairman shall preside at a meeting of the Advisory Council.

(3) The quorum of the Advisory Council shall be five.

(4) Every member of the Advisory Council present shall be entitled to one vote.

(5) If on a question to be determined by the Advisory Council there is an equality of votes, the chairman shall have a casting vote.

Disclosure of interest

5. A member of the Advisory Council having, directly or indirectly, by himself or his partner, any interest in any company or undertaking with which the Perbadanan proposes to make any contract or having any interest in any such contract or in any matter under discussion by the Advisory Council shall disclose to the Advisory Council the fact and the nature of his interest and such disclosure shall be recorded in the minutes of the Advisory Council and, unless specifically authorized by the chairman, such member shall not take part in any discussion or decision of the Advisory Council relating to the contract or matter.

Minutes

6. (1) The Advisory Council shall cause minutes of all its meetings to be maintained and kept in a proper form.

(2) Any minutes made of meetings of the Advisory Council shall, if duly signed, be admissible in evidence in all legal proceedings without further proof and every meeting of the Advisory Council in respect of the proceedings of which minutes have been so made shall be deemed to have been duly convened and held and all members thereat to have been duly qualified to act.

Validity of acts and proceedings

7. No act done or proceedings taken under this Act shall be questioned on the ground of—

(a) any vacancy in the membership of, or any defect in the constitution of, the Advisory Council;

- (b) the contravention by any member of the Advisory Council of the provisions of paragraph 5; or
- (c) any omission, defect or irregularity not affecting the merits of the case.

Procedure

8. Subject to this Act, the Advisory Council shall determine its own procedure.

THIRD SCHEDULE

[Subsection 24(2)]

Power of the Perbadanan to make regulations in respect of corporation

1. The Perbadanan shall, on or before the date on which any corporation is established under section 24, make regulations in respect of such corporation defining—

- (a) the purposes and objects for which the corporation is established;
- (b) the rights, powers, duties and functions of the corporation;
- (c) the system of management of the corporation; and
- (d) the relations between the corporation and the Perbadanan and the Perbadanan's rights of control over the corporation.

Limitation on power to establish corporation

2. Nothing in paragraph 1 shall be deemed to authorize the Perbadanan to make regulations to confer on any corporation any purpose or object more extensive in scope than the purposes or objects for which the Perbadanan has been constituted or to confer on any corporation any right, duty, power or function which is not within the rights, duties, powers or functions of the Perbadanan under this Act.

Effect of regulations

3. Subject to the provisions of this Act and of any regulations made under section 30, any regulations made under paragraph 1 shall be binding on the corporation in respect of which they were made and shall have effect for all purposes as if they had been enacted in this Act.

Amendment of regulations

4. The Perbadanan may at any time amend, revoke or add to any regulations made under paragraph 1 in respect of any corporation.

Register of corporations

5. The Perbadanan shall keep a register in the prescribed form of all corporations established by it under section 24 and the register, together with copies of all regulations made under paragraphs 1 and 4, shall be open to public inspection at such place or places and at such time as it may prescribe.

Winding up

6. (1) The Perbadanan may, with the approval of the Minister, by order published in the *Gazette*, wind up and dissolve any corporation established by it.

(2) Upon the dissolution of any corporation under this paragraph, the assets of the corporation after discharging all its liabilities shall be transferred to and shall vest in the Perbadanan.

(3) The winding up of a corporation under this paragraph shall be conducted in such manner as the Perbadanan may prescribe.

Corporation to be body corporate

7. Every corporation established under section 24 shall be a body corporate by such name as the Perbadanan shall give to it and shall have perpetual succession and a common seal and may sue and be sued in such name and, for the purpose of carrying into effect the project, scheme or enterprise for which it has been established, may enter into contracts and may hold and deal in or with any immovable or movable property and may do all other matters and things incidental or appertaining to a body corporate consistent with the provisions of this Act and subject to such restrictions or limitations as may be prescribed by the Perbadanan in each case.

Common seal of corporation

8. (1) Every corporation shall have a common seal which shall bear such device as the corporation, with the approval of the Perbadanan, may approve and such seal may be broken, changed, altered or made anew as the corporation, with the approval of the Perbadanan, thinks fit.

(2) Until a seal is provided by the corporation, a stamp bearing the name of the corporation encircling the letters "PL" may be used and shall be deemed to be the common seal of the corporation.

(3) The common seal shall be kept in the custody of such person as may be authorized by the corporation, and shall be authenticated by that person; and all deeds, documents and other instruments purporting to be sealed with that seal, authenticated as specified in this subparagraph, shall, until the contrary is proved, be deemed to have been validly executed.

(4) Notwithstanding subparagraph (3), any document or instrument which if executed by a person who is not a body corporate would not be required to be under seal may in like manner be executed by the corporation; and any such document or instrument may be executed on behalf of the corporation by any officer or servant of the corporation generally or specially authorized by the corporation in that behalf.

(5) The common seal of every corporation shall be officially and judicially noticed.

LAWS OF MALAYSIA

Act 609

PERBADANAN LABUAN ACT 2001

LIST OF AMENDMENTS

Amending law

Short title

In force from

– NIL –

LAWS OF MALAYSIA**Act 609****PERBADANAN LABUAN ACT 2001**

LIST OF SECTIONS AMENDED

Section	Amending authority	In force from
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– NIL –
