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Companies Act 1965
of any provision in the articles of the company.

(4) For the purposes of subsection (1), a general notice given to the directors of a company by a director to the effect that he is an officer or member of a specified corporation or a member of a specified firm and is to be regarded as interested in any contract which may, after the date of the notice, be made with that corporation or firm shall be deemed to be a sufficient declaration of interest in relation to any contract so made if it specifies the nature and extent of his interest in the specified corporation or firm and his interest is not different in nature or greater in extent that the nature and extent so specified in the general notice at the time any contract is so made, but no such notice shall be of effect unless either it is given at a meeting of the directors or the director takes reasonable steps to ensure that it is brought up and read at the next meeting of the directors after it is given.

(5) Every director of a company who holds any office or possesses any property whereby whether directly or indirectly duties or interests might be created in conflict with his duties or interests as director shall declare at a meeting of the directors of the company the fact and the nature, character and extent of the conflict.

(6) The declaration shall be made at the first meeting of the directors held —

(a) after he becomes a director; or

(b) (if already a director) after he commenced to hold the office or to possess the property,

as the case requires.

(7) The secretary of the company shall record every declaration under this section in the minutes of the meeting at which it was made.

(8) Except as provided in subsection (3) this section shall be in addition to and not in derogation of the operation of any rule of law or any provision in the articles restricting a director from having any interest in contracts with the company or from holding offices or possessing properties involving duties or interests in conflict with his duties or interests as a director.

Penalty: Imprisonment for one year or two thousand five hundred ringgit.

As to the duty and liability of officers.

132. (1) A director shall at all times act honestly and use reasonable diligence in the discharge of the duties of his office.

(2) An officer or agent of a company or officer of the Stock Exchange shall not make improper use of any information acquired by virtue of his position as an officer or agent of the company or officer of the Stock Exchange to gain directly or indirectly an advantage for himself or for any other person.
NOTES

§S.132(2) The word "improper" inserted after the word "make" in line 1 and deleted the word "improper" before "advantage", and the words "or officer of the Stock Exchange inserted after "officer or agent of the company" by Act A616 in force from 1.2.86.

§S.132(3) The words "or officer of the Stock Exchange" inserted after the words "officer or agent" and the penalty provision substituted by Act A616 in force from 1.2.86.

The original penalty provision read as follows:

Penalty: Imprisonment for one year or two thousand dollars; or

§S.132(4) Subsection (4) deleted by Act A616 in force from 1.2.86.

The original subsection (4) read as follows:

(4) An officer or agent who directly or indirectly gains an improper advantage for himself or for any other person from dealings in shares or debentures or options relating to shares or debentures of the company by the use of information acquired by virtue of his position as an officer or agent of the company shall be liable to compensate any person who is deprived of a benefit either actual or potential, or who suffers loss as a result of the use of such information.

§S.132(6) The definition of "agent" substituted by Act A616 in force from 1.2.86.

The original definition of "agent" read as follows:

"agent" includes a banker, advocate or auditor of the company and any person who at any time has been a banker, solicitor or auditor of the company.

§S.132A to 132D Inserted by Act A616 in force from 1.2.86.

Prohibition on abuse of information obtained in official capacity.
§ 132a. Any person, who in or in relation to a dealing in securities of a corporation, has any information which if generally known might reasonably be expected to affect materially the price of the subject matter of the dealing on a Stock Exchange and which —

(a) he holds by virtue of his official capacity or former official capacity; or

(b) it would be reasonable to expect a person in his official capacity or former official capacity not to disclose except for the proper performance to the functions attaching to that official capacity; and

(c) he knows is unpublished price sensitive information in relation to securities of the corporation,

shall not make improper use of such information to gain, directly or indirectly, an advantage for himself or for any other person and any person who contravenes the provision of this section shall be guilty of an offence against this Act.

Penalty: Imprisonment for five years or thirty thousand ringgit or both.

Approval of company required for disposal by directors of company's undertaking or property.
§ 132c. (1) Notwithstanding anything in a company's memorandum or articles, the directors shall not carry into effect any proposal for disposing of or execute any transaction for the disposal of a substantial portion of the company's undertaking or property which would materially affect the performance of