



PRESS RELEASE

PROTECTING MINORITY INVESTOR'S REFORM Bandar Seri Begawan, Brunei Darussalam

1. Autoriti Monetari Brunei Darussalam (AMBD), today, 28 Sya'ban 1436H corresponding to 25 Mei 2017M held a press conference on Protecting Minority Investor's Reform.
2. AMBD, represented by its Managing Director, Awang Yusof bin Haji Abd Rahman, announced that AMBD, in collaboration with the Registrar of Companies and Business Names (ROCBN), Ministry of Finance, has introduced a corporate governance reform which includes amendments to the Companies Act, and mandatory corporate governance, primarily to increase the level of protection available to minority investors.
3. Protecting Minority Investors (PMI) is one of the indicators under the World Bank's Ease of Doing Business that measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse.
4. AMBD and ROCBN worked closely with Darussalam Assets Sdn. Bhd., and representatives from the Brunei Law Society in reviewing and analysing relevant issues, including the Brunei Companies Act, with a focus on enhancing the protection afforded to minority shareholders. Based on this analysis, the following areas have been undertaken into the reform;
 - a. To ensure certain basic rights are expressly enshrined in the Brunei Companies Act as inalienable rights that cannot be limited by a company's constitution. For example, the right to attend and vote at general meetings for all shareholders, providing a longer period of notice for meetings to shareholders, and relaxing shareholder thresholds;
 - b. To include certain additional matters as expressly reserved for shareholder approval, rather than board approval alone. For example, the authority to issue shares, dispose of material assets of the company, and set the remuneration of directors;
 - c. To include a provision which protects minority investors from oppressive, unfair or discriminatory conduct and granting the Court wide powers to remedy any such complaint; and
 - d. To include a provision allowing a shareholder to make a derivative action in the company's name where a wrong is done to a company, but the majority of the members or the management of the company decide to take no action.

5. As part of this reform's socialisation programme, AMBD recently held a workshop to introduce and explain the reform to its relevant stakeholder,. The workshop was attended by representatives from ROCBN, Attorney General's Chambers (AGC), law firms and other companies.
6. This initiative is part of a series of reform measures which is hoped to improve Brunei Darussalam's position in the World Bank Ease of Doing Business Ranking, supported by the PENGGERAK, Prime Minister's Office, and the 'Ease of Doing Business' (EODB) Steering Committee. Brunei Darussalam is currently ranked 102nd among 190 economies in the PMI Indicators of the Ease of Doing Business World Bank ranking, an improvement by 16 ranks from last year's report.
7. For further information on the Protecting Minority Investors' Reform, the general public can download 'AMBD App' on both the App Store and Google Playstore; or visit AMBD's website at <http://www.ambd.gov.bn>

Autoriti Monetari Brunei Darussalam

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