



Self-test 3.3

TRUE OR FALSE. Circle your choice.

1. Section 67A of the Act permits all companies to buy back its own shares.
(True or False)
2. Before a company can buy back its own shares, it must find out whether its articles permit it to do so.
(True or False)
3. The company must be solvent at the date of the share buy-back.
(True or False)
4. A company can make its purchase of share buy-back from Securities Commission.
(True or False)
5. Shares buy-back must be made in good faith and in the best interest of the company.
(True or False)
6. After the company has purchased its own shares, the board of directors must call for a meeting to make a resolution on those shares.
(True or False)
7. The shares so purchased by the company must be cancelled.
(True or False)
8. Within 7 days after the shares are purchased, the company must lodge with the Registrar and the Stock Exchange a notice in the prescribed form.
(True or False)
9. A company may choose to retain part of the shares purchased as treasury shares and the cancel the remainder.
(True or False)
10. The penalty for an offence under Section 67A (7) is imprisonment for five years or one hundred thousand ringgit or both.
(True or False)