

# **BOARD OF QUANTITY SURVEYORS MALAYSIA**

## CIRCULAR BQSM NO. 1/2001

## Guidelines on Registration of Firms and Body Corporate to practise as Consulting Quantity Surveyors

- 1. Registration of firms and body corporate by the Board of Quantity Surveyors Malaysia to practise as consultant Quantity Surveyors shall be in accordance with the requirements as set out in Section 7A of the Quantity Surveyors Act 1967 and Rules 36 to 48 in Part V: Registration of firms and body corporate of the Quantity Surveyors Rules 1973 which amongst other requirements to be complied with are:
  - a) Written approval of the Board is required before a valid permit to practise is issued.
  - b) All applications for registration to practise as Consulting Quantity Surveyors shall be submitted on the prescribed FORM 1 which shall be completed and duly signed by the applicants and submitted to the Board with all the necessary supporting documents as specified in the Schedule and accompanied with the prescribed fees.
  - c) The Principal of Sole Proprietorship, Partners of a Partnership and all quantity surveying Directors of a Body Corporate shall be Registered Quantity Surveyors with a minimum of five years satisfactory experience after full registration.
  - d) In the case of a Body Corporate practice, the Directors and/or shareholders shall comprise:-
    - (i) Either entirely of all Registered Quantity Surveyors, or
      The majority of Directors and/or shareholders are Registered Quantity Surveyors.
    - (ii) The Directors and/or shareholders who are Registered Quantity Surveyors shall have the <u>controlling interest</u> of the shares in the Body Corporate.

e) Any Body Corporate intending to practise as a Consulting Quantity Surveyors shall submit a proposed draft copy of its Memorandum and Articles of Association to the Board for approval prior to registration with the Registrar of Companies. Memorandum and Articles of Association shall contain the following clause:-

## Clause 3 - The object for which the Company is established are:-

To practise or carry on the business of Quantity Surveying, Building Economist, Building Cost Consultant, Construction Cost Consultant, Project Management, Project Cost Management or the equivalent thereto, and in particular to prepare and submit to any person, organisation or Authority in Malaysia for construction projects, and feasibility study reports, preliminary estimates, cost plans, document and report for pre-qualification of contractors, bills of quantities and other tender documents, tender estimates and reports, contract documents and valuation of works for interim payment, variations and final accounts and any other additional or new services relating to the practise of Quantity Surveying, which shall be all in accordance with and subject to the Quantity Surveyors Act 1967 (Revised) and all Rules made under the said Act and thereof for the time being in force concerning the Quantity Surveyors Act in Malaysia.

f) The permit to practise shall be in the prescribed form. Every permit shall expire on 31 December of the year and shall be renewed annually.

The prescribed fee to practise as Consulting Quantity Surveyor is RM300.00. The prescribed renewal fee is RM300.00.

- g) A firm or body corporate desirous of changing its approved name shall apply to the Board in writing for approval. Upon approval by the Board of the proposed change in name, fee of RM150.00 shall be paid.
- 2. Terms and Conditions to be imposed by the Board in granting approval for firms or Body Corporate to practise as Consulting Quantity Surveyors

#### a) Body Corporate Practice

The Memorandum and Articles of Association shall be approved by the Board.

The minimum paid-up capital shall be RM50,000.00. The controlling interest in the shares by the Registered Quantity Surveyors shall be 55% or more.

### b) Number of Practices permissible

Sole proprietor shall not be a director in any Body Corporate or a partner in any other practice. Sole proprietor shall be owned and managed full time by the Principal.

The number of practices permitted by the Board to each individually Registered Quantity Surveyor to practise shall be a maximum of two (2) practices, in a Partnership or Body Corporate. The Board may at its absolute discretion approve a Registered Quantity Surveyor who is a partner in a Partnership to be a director in a Body Corporate or vice-versa, provided always it is with the full knowledge and consent in writing of the other partner(s) or director(s).

Partnership and Body Corporate must be managed by partners/directors who are full practitioners holding majority equity, and the number of full time partners/directors must not be less than half the total number of partners/directors in the said Partnership/Body Corporate.

#### c) Consortium or Joint-Venture Practice

A Consortium/Joint-Venture practice comprising two or more Quantity Surveying practices is permissible provided the Consortium/Joint-Venture practice is specifically established to service a specific project. The Board's <u>prior approval</u> for the formation of the Consortium/Joint-Venture practice is required.

A Consortium/Joint-Venture practice established by way of an Intergrated Multi-Disciplinary practice is permitted by the Board if the Consortium/Joint-Venture practice is established to service a specific project. The Board's prior approval for the formation of the Quantity Surveying firms/body corporate in the Intergrated Multi-Disciplinary practice is required.

Upon the completion of the specific project and/or upon finalising the accounts for the specific project, the Consortium/Joint-Venture practice shall cease to practise and the Board shall be so notified.

#### d) Branch Office

Firms intending to set up branch offices shall seek the permission of the Board. Each branch office shall be administered by a Registered Quantity Surveyor or a Provisionally Registered Quantity Surveyor who shall be named at the time the permission is sought. Any change in the personnel managing the branch office shall be notified to the Board not later than one month after the change.

### e) Names of Practices

Names of practices shall be approved by the Board.

The names of sole proprietor firm and partnership shall as far as possible reflect the names of the principal or partners of the firm.

Letterheads of practices shall indicate the permit number, the name of the sole proprietor, or partners or directors as the case be, and the main line of consultancy.

## f) Status of Principals/Directors

An application from Registered Quantity Surveyor for a permit to practise shall meet the following requirements:-

- i. An applicant under full-time employment elsewhere shall declare their status.
- ii. Applicants under full employment shall submit a resignation letter from the existing employment or undertaking to resign within six (6) months or obtain a letter of approval from his current employer to start his own practice.
- iii. Applicants shall declare their interests in other firms and/or companies.
- iv. Applicant shall declare that he is not a bankrupt duly certified by a Commissioner of Oath.
- 3. The Board reserves the right to initiate checks on Quantity Surveying practices.
- 4. This circular is effective from 01.01.2002 and supercedes BQSM's Circular No. 1/1993. However existing practices shall comply with this circular not later than 31.12.2004.

By Order Of The Board,

Date Haji Mohamed bin Gadeng

President

Board of Quantity Surveyors Malaysia

Date: 7 DEC 2001