



**REPLY BY THE GENERAL COMMITTEE IN RESPECT OF
THE EXTRAORDINARY GENERAL MEETING (EGM)
CONVENED BY LT COL (R) JOHAN VAN GEYZEL (7280)
PURSUANT TO RULE 19.6 OF THE CONSTITUTIONAL
RULE OF THE ROYAL LAKE CLUB KUALA LUMPUR**

1. BRIEF FACTUAL BACKGROUND

1.1 The General Committee in 2016 decided to file four (4) civil suits in the High Court as follows:

- (a) Dato' Gee Siew Yee (15173) - WA-23CY-8-10/2016 - High Court Defamation Legal Suit between RLC v YBhg Dato Nik Gee Siew Yee.
- (b) High Court Defamation Action for the sum of RM150 million between RLC v. RLC Staff (4 RLC staff and the General Secretary of the CEUPM).
- (c) High Court Defamation Legal Suit between RLC v. Salleh Mohd Nor and K J John a/l John Keruvilla.
- (d) WA-22NCVC-729-11/2016 - Nurzuraida Soon Abdullah v Dr Molly Cheah Bee Li.

1.2 The above civil suits arose from the following:

- (a) The GC at its meeting on 27 June 2016 decided to appoint a legal firm to act on behalf of the Club against **DATO' GEE SIEW YEE (15173)** for theft and/or abetting to steal with one or more individuals the property of the Club, namely the tape-recording of the Special GC Meeting held on 29 September 2015. This matter came to light arising from exhibits and documents tendered by the said YBhg Dato' Gee Siew Yee at a Disciplinary Inquiry held on Monday, 6 June 2016. The claim by the Club was for RM150 million.
- (b) On 20 July 2016, the GC appointed a legal firm to act for the Club against **FOUR STAFF** who were distributing flyers to Members on 12 and 13 December 2015 and the **GENERAL SECRETARY OF THE CEUPM** who had signed the said flyer. The claim by the Club was for RM150 million.
- (c) On 26 October 2016, the GC was informed that there were other Club members who were involved directly and/or indirectly on the matter relating to the first civil suit against Dato' Gee Siew Yee [(a) above]. The said members were subsequently identified by M/S K C Chan & Partners as **TAN SRI DR SALLEH MOHD NOR (8835) AND DR K J JOHN (7116)**. They were also sued for RM150 million.

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- (d) **DR MOLLY CHEAH BEE LI (11529)** was suspended following a disciplinary inquiry on 25 April 2016. She filed an appeal to the GC and the GC by a majority decided to confirm the decision and findings of the DC and maintained the order of suspension of one (1) year. On 23 June 2016, she filed an appeal to the House. An EGM was held on 31 July 2016. At that EGM, the House overturned the order of suspension with immediate effect. Subsequently, the GC decided to seek clarification from the Registrar of Societies (ROS) on compliance of the Club's Constitution viz-a-viz, the appointment of a requisitioner to chair the proceedings at the EGM and the said chair allowing matters outside the Agenda be brought up for discussion.

The ROS issued a Show Cause letter to the Club on 8 November 2016. The GC at its meeting on 11 November 2016 decided that the outcome of the EGM in lifting the suspension imposed upon Dr Molly Cheah was not valid. Dr Molly Cheah was issued the re-suspension of her membership. By way of a letter from Prasad Abraham & Associates dated 15 November 2016, acting on behalf of Dr Molly Cheah, stating among others that its client's full rights and privileges as Vice President and/or GC member and/or voting member are still subsisting and shall continue.

On 16 November 2016, the GC appointed M/S K C Chan & Partners to undertake all necessary actions to protect the interests of the Club including barring Dr Molly Cheah from entering the Club and/or injunctions against Dr Molly Cheah from instituting legal actions to disrupt the AGM slated for 27 November 2016.

1.3 At no time was there:

- (a) A detailed discussion of the intended suits;
- (b) A cost estimate obtained;
- (c) Supplementary budgets approved;
- (d) Supervision of the work, if any, undertaken;
- (e) In fact, for Item 1.2(c), RM80,000 was paid within hours of the GC meeting without any work being done.

1.4 In the conduct of the above civil suits, the Club expended a total sum of RM371,720.36 to the legal firm, M/S K C Chan & Partners vide the following cheques:

- (a) MBB Cheque No 008837 - 28.09.2016 – RM80,200.00 [refer to Item 1.1(a)]
- (b) MBB Cheque No 008838 - 28.09.2016 – RM40,150.00 [refer to Item 1.1(b)]
- (c) MBB Cheque No 008934 - 05.10.2016 – RM70,391.00 [refer to Item 1.1(a)]

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- (d) MBB Cheque No 009250 - 08.11.2016 – RM80,000.00 [refer to Item 1.1(c)]
- (e) MBB Cheque No 009251 - 08.11.2016 – RM40,979.36 [refer to Item 1.1(b)]
- (f) MBB Cheque No 009398 - 23.11.2016 – RM60,000.00 [refer to Item 1.1(d)]

- 1.5 A Resolution was passed by the RLC House at its Annual General Meeting on 9 December 2019 that the cheque signatories involved in the above payments, without undertaking proper due diligence and/or taking into account the best interest of the Royal Lake Club, especially the financial implications against the Club, which had resulted in costs being imposed against and/or incurred by the Club, be brought before the Disciplinary Committee (DC).
- 1.6 The issue was raised at the AGM held on 27 November 2016. A Legal Committee was appointed to look into:
- “To consider and review the numerous civil litigation matters for and against the Club and/or its office bearers and whether such legal suits were correctly commenced and also and/or whether monies expended or these suits were fair and reasonable in all the circumstances, and if not so, to take the necessary steps to discontinue proceedings and recover any monies/fees paid in excess.”
- 1.7 Between 2017 and early 2020, the proceedings were dragged out in Court and the Club incurred legal costs of RM373,045.73 in dealing with the pending court proceedings.
- 1.8 Upon taking over the Presidency in December 2018, Mr Manjeet Singh Dhillon commenced attempt to resolve all legal proceedings and was successful in negotiating with K C Chan who agreed on 30 July 2020 to refund RM250,000 in respect of the RM371,720.36 paid out to him for work purportedly done by him.

2. COMPLAINT

- 2.1 On 20 July 2020, pursuant to Rule 19.2 of the Club's Constitution, a formal Complaint was lodged by the Club President Manjeet Singh Dhillon, on behalf of the General Committee 2018/2019 and pursuant to a resolution passed by the General Committee on 17 October 2019 and as directed by the Meeting of Members at the Annual General Meeting of the Royal Lake Club on 9 December 2019.
- 2.2 The thrust of the Complaint was that the Respondents, Jon Azman, Risha A Rajadurai and Lt Col (R) Johan Van Geyzel being the elected officials and appointed signatories during the material time had:
- (a) Failed and/or omitted the discharge of trust obligations, due diligence, governance, integrity, responsibility and/or omission and/or financial negligence of the care of the Club's funds when they initiated payments towards legal fees to M/S K C Chan & Partners; and
 - (b) Lodged frivolous, unnecessary and spurious police reports against a fellow Club Member.
- 2.3 The Complaint was presented to the Investigation Committee (IC) at its meeting on 11 August 2020. At that meeting, the IC agreed that the normal procedure would provide for the IC to look into and review the Complaint complete with the LOQ to and the Reply from the Respondents. However, since the subject matter of the Complaint had been fully investigated by the Audit Committee (AC), the IC held that it should focus and proceed to finalise the Draft Charges and that the Respondent to answer to the DC.

3. DISCIPLINARY INQUIRY

3.1 The Disciplinary Inquiry was held on 27 November 2020.

3.2 There were five (5) Charges preferred against Lt Col (R) Johan Van Geysel, as follows:

(a) Charge 1: That he being a member of the General Committee of the Club at that material time between 27 June 2016 and 16 November 2016 had failed to exercise due care and diligence, and/or in breach of fiduciary duty to place paramount importance of the interest of the Royal Lake Club, had authorised the launching of legal suits, among others, against the following without undertaking proper due diligence and/or taking into account the best interest of the Royal Lake Club, especially the financial implications against the Royal Lake Club, which had resulted in costs being imposed against and/or incurred by the Royal Lake Club:

- (i) High Court Defamation Action for the sum of RM150 million between RLC v. RLC Staff (4 RLC staff and the General Secretary of the CEUPM).
- (ii) WA-23CY-8-10/2016 - High Court Defamation Legal Suit between RLC v YBhg Dato Nik Gee Siew Yee.
- (iii) High Court Defamation Legal Suit between RLC v. Salleh Mohd Nor and K J John a/l John Keruvilla.
- (iv) WA-22NCVC-729-11/2016 - Nurzuraida Soon Abdullah v Dr Molly Cheah Bee Li.

(b) Charge 2: That he being a member of the General Committee of the Club at that material time between 27 June 2016 and 16 November 2016 had appointed Messrs KC Chan & Partners to launch the following legal suits without undertaking proper due diligence, in particular, in not taking into consideration that the sole proprietor of Messrs KC Chan & Partners, ie Chan Kok Choong will not be competent to act for the Royal Lake Club due to a conflict of interest:

- (i) High Court Defamation Action for the sum of RM150 million between RLC v. RLC Staff (4 RLC staff and the General Secretary of the CEUPM).
- (ii) WA-23CY-8-10/2016 - High Court Defamation Legal Suit between RLC v YBhg Dato Nik Gee Siew Yee.
- (iii) High Court Defamation Legal Suit between RLC v. Salleh Mohd Nor and K J John a/l John Keruvilla.
- (iv) WA-22NCVC-729-11/2016 - Nurzuraida Soon Abdullah v Dr Molly Cheah Bee Li.

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(c) Charge 3: That he being a member of the General Committee of the Club at that material time between 28 September 2016 and 23 November 2016 had initiated and/or authorised and signed the following cheques for payment of legal fees to Messrs. KC Chan & Partners without the approval of the General Committee and/or complying with the established financial procedures of the Club. The legal fees paid were neither provided for in the 2016/2017 budget nor was a special budget request submitted to the General Committee:

- (i) MBB Cheque No 008837 - 28.09.2016 – RM80,200.00
- (ii) MBB Cheque No 008838 - 28.09.2016 – RM40,150.00
- (iii) MBB Cheque No 008934 - 05.10.2016 – RM70,391.00

(The above cheques (i), (ii) and (iii) were signed by Jon Azman and Lt Col (R) Johan Van Geysel)

- (iv) MBB Cheque No 009250 - 08.11.2016 – RM80,000.00
- (v) MBB Cheque No 009251 - 08.11.2016 – RM40,979.36
- (vi) MBB Cheque No 009398 - 23.11.2016 – RM60,000.00

(The above cheques (iv), (v) and (vi) were signed by Jon Azman and Risha A Rajadurai)

(d) Charge 4: That he being a member of the General Committee of the Club at that material time between 28 September 2016 and 23 November 2016 had initiated and/or authorised and signed the following cheques for payment of legal fees to Messrs. KC Chan & Partners without ensuring that the claims were due and payable and/or were not excessive and/or justifiable.

- (i) MBB Cheque No 008837 - 28.09.2016 – RM80,200.00
- (ii) MBB Cheque No 008838 - 28.09.2016 – RM40,150.00
- (iii) MBB Cheque No 008934 - 05.10.2016 – RM70,391.00

(The above cheques (i), (ii) and (iii) were signed by Jon Azman and Lt Col (R) Johan Van Geysel)

- (iv) MBB Cheque No 009250 - 08.11.2016 – RM80,000.00
- (v) MBB Cheque No 009251 - 08.11.2016 – RM40,979.36
- (vi) MBB Cheque No 009398 - 23.11.2016 – RM60,000.00

(The above cheques (iv), (v) and (vi) were signed by Jon Azman and Risha A Rajadurai)

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(e) **Charge 5:** That he had caused for a police report to be lodged against another member of the Royal Lake Club, one Stanley C Augustin [Royal Lake Club Member No: 10906] knowing that the contents and allegations in your said report were not true in fact.

3.3 The DC unanimously found that the Charges (1), (2), (3) and (4) preferred against Lt Col (R) Johan Van Geyzel had been proven and recorded the finding of GUILTY on those Charges. In respect of Charge (5), the DC unanimously found that the Charge had not been proven and therefore dismissed the said Charge.

3.4 Lt Col (R) Johan Van Geyzel was duly informed of the said decision of the DC vide a letter dated 19 February 2021.

4. APPEAL

- 4.1 Lt Col (R) Johan Van Geysel, vide his letter dated 1 March 2021, stated that he will not be appealing to the GC as the Complaint was directed by the GC. He also expressed his disappointment with the way the Complaint was dealt with. He stated that he had been unfairly dealt with as he was not given the opportunity to be heard by the IC before the Complaint was forwarded to be heard by the DC. He reiterated his objection that the IC did not investigate the Complaint pursuant to Disciplinary Proceedings Byelaws 6(b) and instead had forwarded it to the DC. As such, he held that the Inquiry was flawed.
- 4.2 The Club replied Lt Col (R) Johan Van Geysel on 9 March 2021. As the intent of his letter was that the DC process was flawed and the outcome consequently unconstitutional, in the said circumstance the Club will treat his letter as an appeal and tabled it to the GC for consideration.
- 4.3 The GC met on 25 March 2021.
- 4.4 The GC agreed, by majority (5-1) that the letter from Lt Col (R) Johan Van Geysel was in form and content an appeal based on the following:
- (a) Being a long time member, the GC held that Lt Col (R) Johan Van Geysel was very well aware of his intentions in the way he wrote to the Club.
 - (b) The timing of the letter sent to the Club within the last few days from the deadline of submitting an appeal added credence that he had intended the letter as an appeal letter.
 - (c) The DC process was not flawed as the IC Chairman had complied with Rule 19.3.2 which states ***“If it considers that there are sufficient grounds to merit investigation into the Complaint the Chairman of the Investigation Committee shall forthwith constitutes a Disciplinary Committee (“DC”) comprising of not less than three (3) and not more than five (5) members from the Disciplinary Panel.”*** Hence, the statement by Lt Col (R) Johan Van Geysel **that the DC process was flawed was not acceptable.**

- 4.5 The GC also reviewed the punishment imposed by the DC. Pursuant to Rule 19.5 of the Club's Constitution, the GC decided to vary the decision of CENSURE against Lt Col (R) Johan Van Geyzel. The punishment was enhanced to a suspension for a period of three (3) years.
- 4.6 Lt Col (R) Johan Van Geyzel was duly informed the decision of the GC vide a letter dated 26 March 2021.

In view of the above mentioned facts of the case, there is no basis for the EGM to reverse the findings and decisions of both the DC and GC.

BY ORDER OF THE GENERAL COMMITTEE
ROYAL LAKE CLUB KUALA LUMPUR

Date: 16 November 2021

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