

# STATUTE

Effective from 26 September 2024



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## 1. INTERPRETATION AND DEFINITIONS

For the purposes of this Statute, words importing the masculine gender only, include the feminine or neuter genders, or vice-versa.

“Accountancy Board” means the regulator of the accountancy profession in Malta in terms of The Accountancy Profession Act (Chapter 281 of the Laws of Malta).

“Annual General Meeting” means a general meeting of all Members and Member Firms which is held at stipulated intervals.

“Charge” means a formal notice drawn up in accordance with the Disciplinary Bye-Law when a decision has been taken to refer the alleged breach to the Disciplinary Committee.

“Chief Executive Officer” or “CEO” means the person occupying the role of the Chief Executive Officer of the Institute.

“Committees” mean appointed groups to form part of a committee, focus group or any other group with the aim of performing duties assigned to them by Council.

“Council” means the body of elected members of the Institute responsible for governing the Institute in terms of its Statute.

“Extraordinary General Meeting” means a meeting of Members and Member Firms that is specifically scheduled to deal with certain matters.

“Financial year” means from the first (1<sup>st</sup>) day of January to the thirty-first (31<sup>st</sup>) day of December.

“General Meetings” mean the Annual General Meetings and the Extraordinary General Meetings.

“Institute” means the Malta Institute of Accountants.

“Member/s” means those individuals who satisfy the eligibility criteria in terms of the Members’ Bye-Law and who have been admitted as members of the Institute.

“Member Firm/s” means those legal persons, and firms regardless of their legal form, which satisfy the eligibility criteria in terms of the Members’ Bye-Law and which have been admitted as members of the Institute.

“Officers” means those Council members elected to form part of the Officers’ Committee in accordance with the Statute.

“Officers’ Committee” means the elected Committee in accordance with the Statute and consists of the President, Vice-President, Secretary and Treasurer of the Institute.

“President” means the President of the Institute.

“Registration Number” means the official unique identifier provided by the Accountancy Board to a Member Firm.

“Secretary” means the Secretary of the Institute.

“Students” means students registered with the Institute in accordance with the Students’ Bye-Law.

“Treasurer” means the Treasurer of the Institute.

“Vice-President” means the Vice-President of the Institute.

## **2. NAME**

The name of this organisation shall be the Malta Institute of Accountants.

## **3. OFFICE**

The office of the Institute shall be at Level 1, Tower Business Centre, Tower Street, Swatar BKR 4013, Malta or any other registered address as may be agreed by Council from time to time.

## **4. STATUS**

The Institute is an approved accountancy body in accordance with the requirements of the Accountancy Profession Act any other relevant legislation.

## **5. LEGAL AND JUDICIAL REPRESENTATION OF THE INSTITUTE**

Without prejudice to article 10.12 of this Statute, legal representation of the Institute shall be vested jointly in any two (2) members of the Officers’ Committee.

The judicial representation of the Institute shall be vested in any one (1) member of the Officers’ Committee.

This is without prejudice to the power of Council to appoint the Chief Executive Officer to represent the Institute for any purpose. Such appointment shall be made by resolution in writing.

## **6. VISION AND PRINCIPAL OBJECTIVES OF THE INSTITUTE**

The vision of the Institute is to lead, train, support and promote its Members and Member Firms, having regard to professional and ethical standards for the benefit of the accountancy profession and the general public.

The Institute does not have a profit-making purpose and the property and income of the Institute shall be used solely for the furtherance of its objectives.

The principal objectives of the Institute are:

- (a) To promote the highest professional, ethical and governance standards and exercise supervision over the Members and Member Firms of the Institute, as applicable, in order to maintain the highest possible professional standards.
- (b) To provide Members and Member Firms with the resources, information and leadership skills that enable them to provide services in the highest professional manner for the benefit of the public, employers and clients.

- (c) To encourage and assist suitable persons to join the accountancy profession and to provide means of assessing the qualification of such persons for admission to membership of the Institute.
- (d) To strive to create effective partnerships, with other private and public organisations and to ensure that its Members and Member Firms are represented both locally and internationally. The Institute's autonomy must, however, not be affected.
- (e) To promote a proper understanding of the role and value of the accountancy profession to the public.
- (f) To promote, support and advance the status and interests of the accountancy profession in all aspects, promote its character, and develop and improve accountancy education and continued professional development.
- (g) To promote unity and co-operation amongst Members and Member Firms.

## **7. GOVERNANCE FRAMEWORK OF THE INSTITUTE**

The governance framework of the Institute is made up of the Council, the Officers' Committee and the Chief Executive Officer.

The Institute's affairs are governed by means of the Statute and Bye-Laws.

A majority of not less than two-thirds (2/3) of the Members present and voting at a General Meeting of the Institute is required in order to repeal and replace, amend or add to the Statute.

Bye-Laws consistent with the provisions of the Statute are enacted by Council in accordance with article 10.11 of this Statute.

## **8. MEMBERSHIP OF THE INSTITUTE**

Council shall determine:

- (a) the classes of membership;
- (b) the eligibility criteria for admission into each class;
- (c) the rights, privileges and obligations of each class;
- (d) the membership related fees; and
- (e) any other matters related to membership.

Council may undertake arrangements to establish further membership or affiliation programs.

Membership types, membership tiers, the rights, privileges, obligations and conditions of membership and the manner in which membership may be suspended and terminated shall be further regulated by Bye-Laws.

### **8.1 ADMISSION, RE-ADMISSION AND RESIGNATION OF MEMBERS AND MEMBER FIRMS**

All admissions to membership, upgrades and re-admissions to membership shall be approved by Council.

Members and Member Firms whose membership ceases as a result of disciplinary proceedings, may only be re-admitted to membership by unanimous approval of Council members.

Council may, at its absolute discretion, refuse membership to any Member or Member Firm.

Council shall be informed of any Members and Member Firms resigning from the Institute and shall have the right to publish the name, surname and identification number of such Members or name and relevant Registration Number of such Member Firms on the Institute's website and in any other publications of the Institute, together with the reason(s) for such publication. The time-period for which such information shall be made publicly available shall be determined by Council, at its discretion.

## **8.2 HONORARY MEMBERS**

Council may, by unanimous approval of Council members, decide to bestow upon any Member who has distinctively contributed to the Institute or the profession, honorary membership of the Institute.

Former Presidents of the Institute shall be automatically awarded the honorary membership status upon termination of their presidency term in recognition of their contribution towards the Institute.

The Council has the discretion to withdraw the honorary membership of any such Member should it deem it so appropriate. Any vote for such withdrawal must be unanimously approved by Council members. The withdrawal of such honorary membership does not automatically imply the loss of membership status.

## **8.3 CERTIFICATES OF MEMBERSHIP**

Save for exceptional circumstances and subject to the discretion of the Institute, certificates of membership shall be issued once upon admission, upgrade in membership and re-admission. Such certificates shall remain the property of the Institute and are to be returned upon cessation of membership.

## **9. GENERAL MEETINGS OF THE INSTITUTE**

### **9.1 ANNUAL GENERAL MEETINGS**

#### **9.1.1 DATE OF THE ANNUAL GENERAL MEETING**

The Annual General Meeting of the Institute shall be held on such day as Council may appoint, provided that one meeting shall be held in every calendar year. Not more than fifteen (15) months shall elapse since the date of the previous Annual General Meeting.

#### **9.1.2 BUSINESS OF THE ANNUAL GENERAL MEETING**

The Annual General Meeting shall deal with the following business:

- a) adoption of the minutes of the previous Annual General Meeting;
- b) adoption of the accounts and the report by the auditors;
- c) consideration of motions;
- d) appointment of auditors;
- e) election of Council members; and
- f) any other matter which the Council may designate to be transacted at the meeting.

#### **9.1.3 NOTICES OF THE ANNUAL GENERAL MEETING**

All notices shall be issued by the Secretary.

A preliminary notice of an Annual General Meeting shall be sent to Members and Member Firms by not later than nine (9) weeks before the date of every such meeting. Such notice shall include the date of the meeting and shall request Members to submit any nominations for election to Council and any motions which they wish to bring before the proposed meeting. Such submissions shall be made in writing in the manner prescribed by Council within three (3) weeks from the issuance of the preliminary notice.

A notice of an Annual General Meeting shall be sent to Members and Member Firms not less than two (2) weeks and by not more than three (3) weeks before the date of any such meeting. Such notice shall specify the date, time and place of the meeting and the business to be transacted and shall include the following:

- (a) A copy of the minutes of the previous Annual General Meeting;
- (b) A copy of the annual report which shall comprise an overview of the work undertaken by the Institute. It shall cover activities starting from the following day after the closing date of the previous year's annual report till a reasonable and practical date before the Annual General Meeting in question. The report shall also include a copy of the Treasurer's report and the audited financial statements of the immediately preceding Financial Year;
- (c) A list of proposed motions (if any); and
- (d) A list of Members seeking election to Council.

Notices relating to adjourned Annual General Meetings shall be given in a way to be determined by Council.

## **9.2 EXTRAORDINARY GENERAL MEETINGS**

An Extraordinary General Meeting of the Institute may be convened by the Council whenever it considers it necessary.

Council shall also convene an Extraordinary General Meeting within six (6) weeks from the receipt of a request in writing for such a meeting. Such request must be signed by not less than fourteen (14) paid-up Members with voting rights and must state the object of the proposed meeting.

### **9.2.1 NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

By not less than two (2) weeks and by not more than three (3) weeks before the date of an Extraordinary General Meeting of the Institute, the Secretary shall send a notice to Members and Member Firms specifying the date, time and place of the meeting and the business to be transacted.

## **9.3 PLACE OF GENERAL MEETINGS**

The General Meetings of the Institute shall be held physically at a place agreed upon by Council or virtually using relevant technology, provided that, Members attending the General Meeting shall be given the opportunity to participate and to cast their vote.

## **9.4 PROCEEDINGS OF GENERAL MEETINGS**

### **9.4.1 CHAIRPERSON OF GENERAL MEETINGS**

All General Meetings of the Institute shall be chaired by the President or in his absence by the Vice-President.

In the absence of both, after the lapse of thirty (30) minutes from the time appointed for the General Meeting, the other members of the Officers' Committee who are present shall choose one from amongst themselves to chair the said meeting.

The Chairperson of the General Meeting shall be responsible for the general conduct of the meeting and for the procedures to be adopted during the said meeting.

## **9.4.2 QUORUM OF GENERAL MEETINGS**

Save as hereinafter provided, no business shall be transacted at any physical or virtual General Meeting unless a quorum, consisting of not less than thirty (30) Members, is present when the meeting proceeds to business.

In the absence of a quorum, after the lapse of thirty (30) minutes (or such longer interval as the Chairperson of the General Meeting shall determine) from the original time appointed for the General Meeting, the meeting shall stand adjourned in accordance with article 9.4.5 of this Statute.

If at an adjourned General Meeting a quorum is not present after thirty (30) minutes from the time appointed for the said meeting (or such longer interval as the Chairperson of the General Meeting shall determine), the Members present shall be considered to constitute a quorum.

In the absence of a quorum, an Extraordinary General Meeting convened on the requisition of Members, shall be dissolved, after the lapse of thirty (30) minutes (or such longer interval as the Chairperson of the said meeting shall determine) from the original time appointed for the said meeting. No adjournment for such meeting shall take place.

## **9.4.3 VOTING OF MEMBERS**

At every General Meeting of the Institute, every Member present and entitled to vote shall have one vote.

### **9.4.3.1 VOTING FOR RESOLUTIONS**

Votes on resolutions shall be cast either by a show of hands or by means of electronic voting.

No voting shall be taken in relation to the appointment of the Chairperson and the appointment of scrutineers as provided for in article 9.4.4 of this Statute.

Except where otherwise provided for in the Statute, all resolutions placed before a General Meeting shall be carried by a simple majority of votes.

In the case of an equality of votes, the Chairperson of the General Meeting shall have a casting vote in addition to his original vote. This shall apply for both show of hands and electronic voting.

Except where the Chairperson shall be required to cast an additional vote, the Chairperson shall declare the conclusive result of any of the above-mentioned voting by specifying whether the resolution has been passed or otherwise, without the need to specify the number or proportion of votes for and against the resolution.

## **9.4.3.2 VOTING FOR ELECTION OF THE COUNCIL**

Voting for election of the Council shall be cast either by a physical ballot or by means of electronic voting.

Each Member present at the meeting and entitled to vote shall vote for a minimum of four (4) candidates and up to seven (7) candidates. Any voting done not in compliance with the above shall be considered as null and void.

## **9.4.4 SCRUTINEERS**

At every Annual General Meeting of the Institute at which an election for Council members is to take place, the meeting shall appoint four (4) of the Members present to act as scrutineers to ensure the integrity and transparency during the entire election process. Any decisions required to be taken during such meeting shall be taken by the Chief Executive Officer and endorsed by the scrutineers. The role of the scrutineers shall also apply when election for Council members is held in an electronic manner. Members who in some way or another may have a conflict of interest will not be eligible to act as scrutineers.

The result of the poll as determined by the scrutineers shall be final.

## **9.4.5 ADJOURNMENT OF GENERAL MEETINGS**

Subject to the provisions of the Statute, the Chairperson of any General Meeting of the Institute may, with the consent of the Members present, adjourn the said meeting to another date and time as Council may determine. No business shall be transacted at the adjourned General Meeting other than the business left unfinished at the previous General Meeting from which the adjournment took place.

Any General Meeting can also be adjourned in the case of extraordinary circumstances which are beyond the Institute's control or if a quorum for the original General Meeting has not been reached.

In all such cases, the General Meeting shall be adjourned to another date and time as Council may determine. Any such adjourned meetings shall take place not less than two (2) weeks and not more than four (4) weeks from the date of the original General Meeting.

## **9.4.6 MINUTES OF GENERAL MEETINGS**

Proper minutes shall be recorded of all resolutions and proceedings of General Meetings of the Institute. Every minute shall be signed by the chairperson of the General Meeting to which it relates or by the chairperson of a subsequent General Meeting. This shall be sufficient evidence of the facts stated therein.

## **10. THE COUNCIL**

### **10.1 ROLE OF COUNCIL**

The Council shall be the governing body of the Institute.

## **10.2 COUNCIL MEMBERS**

Council shall be composed of a maximum of fourteen (14) Members and each Council member shall have a term of office until the conclusion of the second Annual General Meeting from when he is elected.

The term of office of maximum of seven (7) Council members shall expire at each Annual General Meeting of the Institute. The term of the remaining members shall expire in the subsequent year.

The maximum of seven (7) Council members whose term will be expiring shall be eligible for re-election provided that they continue to meet the eligibility criteria listed in article 10.5 of this Statute.

In this respect, any Council member who does not wish to contest the upcoming election shall inform the Secretary in writing and by not later than six (6) weeks before the date of the Annual General Meeting. If no such communication is sent, it is implied that the member of the Council has offered himself for re-election.

No remuneration (except by way of reimbursement of out-of-pocket expenses, if any) shall be paid to any Council member in respect of his office.

## **10.3 EX-OFFICIO COUNCIL MEMBERS**

In the event that the immediate past President is not elected as a Council member or does not contest the election, he shall remain an ex-officio Council member without voting rights until the conclusion of the second Annual General Meeting after the Annual General Meeting held in the year in which he ceases to hold the office of President.

## **10.4 COMPOSITION OF COUNCIL**

As a rule, the Council shall be composed as follows:

- (a) At least two (2) out of fourteen (14) members shall be in public practice;
- (b) At least two (2) out of fourteen (14) members shall not be in public practice; and
- (c) There shall not be more than two (2) members of any organisation during the same term of office.

For the purpose of this subsection, the term 'members in public practice' shall be construed in accordance with the Code of Ethics issued in terms of the Accountancy Profession Act.

Provided that for the purpose of this Article, changes during the term of office in the status of a Council member as practicing or non-practicing in line with 10.4(a) and 10.4(b) above shall not affect his appointment.

Provided further that the requirements laid down in 10.4(a) and 10.4(b) above, may be waived, if the requirements are not met after the submission of nominations for election or after the election of candidates during an Annual General Meeting.

## **10.5 NOMINATIONS FOR ELECTION TO COUNCIL**

The pool of candidates to fill the maximum of seven (7) vacant posts of Council members may be composed of Council members whose term expires at the end of the Annual General Meeting and any nominations received from Members.

Any Member of the Institute shall be eligible for election as a Council member provided that:

- (a) he is a fellow member of the Institute;
- (b) he is a warrant holder;
- (c) he has a clean criminal record;
- (d) he has not been interdicted or incapacitated;
- (e) no effective disciplinary action has been taken against him and no sanction has been imposed in his regard whether by the Institute or otherwise; and
- (f) where applicable, the Member has not served on Council for nine (9) terms, as defined in article 10.2 of this Statute, whether consecutively or otherwise.

Provided that, despite the fulfilment of the above criteria, where a Member is a member of an organ, equivalent to the Council of the Institute, of any body, be it professional or regulatory or otherwise, the said Member must disclose such appointment at the time of his nomination to Council. Council may, at its sole discretion, decide to disallow the said Member from nominating himself for Council. In the eventuality, that such Member fails to disclose the said appointment and the said appointment comes to the attention of the Institute, Council may, at its sole discretion, request the said Member to withdraw his nomination.

Nominations of candidates for election to the Council shall be made in writing as advised in the preliminary notice by not later than three (3) weeks from when the request for nominations is issued pursuant to article 9.1.3 of this Statute. This requirement does not apply to those Council members who are seeking re-election to Council in accordance with the Statute.

## **10.6 ELECTION OF MEMBERS TO COUNCIL**

Election to fill the maximum of seven (7) vacant posts of Council members shall be held at the Annual General Meeting of the Institute and shall be made by secret ballot.

Election shall only take place when there are more nominations than vacancies. In such case, the details of the candidates shall be noted on a ballot paper or electronic ballot along with any other information as Council may direct. The candidates who receive the most votes shall be elected.

Provided that where there is an equality of votes between two (2) or more candidates for the last vacant post, a second (2<sup>nd</sup>) ballot shall be taken on such candidates.

If the number of nominated candidates is equivalent to the number of vacancies to be filled, the nominated candidates shall be declared elected to Council at the Annual General Meeting.

In the eventuality of insufficient nominations, the nominated candidates shall be declared elected to Council at the Annual General Meeting.

The election process shall be closed off with the reading of the results.

## **10.7 DISQUALIFICATION OF MEMBERS FROM COUNCIL**

A Council member shall be disqualified from office if:

- (a) he ceases to be a Member of the Institute, including cases where membership is suspended or excluded by the Institute itself in line with the Statute and Bye-Laws; or

- (b) he is the subject of disciplinary action taken against him by the Institute in accordance with its Statute and Bye-Laws; or
- (c) he has failed to act in the manner prescribed in article 10.11.1 of this Statute; or
- (d) during the tenure of office he has ceased from fulfilling any of the eligibility criteria listed in article 10.5 of this Statute; or
- (e) it transpires that he had declared untruthful or inaccurate information when submitting his nomination for election which would have made him ineligible to stand for election had the information been true and correct.

Should a Council member, during his tenure of office, become a member of an organ, equivalent to the Council of the Institute, of any body, be it professional or regulatory or otherwise, the said member must disclose such appointment to Council. Council may, at its sole discretion, oblige the said member to vacate his seat on Council. In the eventuality, that such member fails to disclose the said appointment to Council and the said appointment comes to the attention of the latter and the two roles are deemed by Council to be conflicting, Council may, at its sole discretion, proceed to oblige the said member to vacate his seat on Council.

Provided that any instance of disqualification, shall be preceded by a notice in writing issued by the Chief Executive Officer to such person stating the alleged reasons for the disqualification, and providing such person with a reasonable opportunity to defend himself before Council and rebut the allegations.

Provided further that a Council member who is disqualified from office in accordance with points (a) to (e) above, shall not be eligible for re-nomination to Council.

## **10.8 REMOVAL OF MEMBERS FROM COUNCIL**

A Council member may be removed from office by Council if he is absent from the meetings of the Council for more than two (2) consecutive meetings or is absent from the meetings of the Council for more than fifty percent (50%) of Council meetings called during the Council's term.

Provided that such removal shall be preceded by a notice in writing issued by the Chief Executive Officer to such person stating the alleged reason for the removal and providing such person with a reasonable opportunity to defend himself before Council and rebut the allegations.

Provided further that the Council may, at its discretion decide not to remove such member from Council should such Council member fail to attend the meetings due to the fact that he was absent from the country or because he was indisposed.

Provided further that a Council member who is removed from office in accordance with this article shall not be eligible for re-nomination to Council for the next two (2) consecutive elections.

## **10.9 RESIGNATION FROM COUNCIL**

A Council member may tender his resignation from office in writing to the Secretary. Upon its acceptance by Council, he shall cease to be a Council member.

## **10.10 VACANCIES IN COUNCIL**

Should any vacancy in the Council take place between two Annual General Meetings, the Council may fill such vacancy from amongst those candidates who were not elected to Council at the last Annual

General Meeting, inviting first the Member who obtained the highest number of votes, provided that the criteria stipulated in article 10.5 of this Statute are met.

If this is not possible, or if all such candidates do not accept the Council's invitation, the Council may fill a vacancy by inviting any other Member of the Institute who fulfils the criteria stipulated in article 10.5 of this Statute.

The person who is appointed by Council shall hold office only for the remainder of the elected term of office of the elected Council member whose vacancy he fills. Such person shall be entitled to vote at Council meetings.

## **10.11 POWERS OF THE COUNCIL**

In furtherance of the objectives of the Institute, the Council shall have and shall exercise the following powers, in terms of the Institute's Statute, Bye-laws and at law:

- (a) manage the affairs of the Institute in accordance with the provisions of the Statute;
- (b) purchase, sell, lease, rent, hold or dispose of any buildings or other property, movable or immovable;
- (c) borrow or raise any money with or without security that may be required by the Institute;
- (d) invest funds of the Institute which are not needed immediately for the transaction of ordinary business of the Institute in any Maltese or foreign shares, stocks or securities approved by the Council from time to time;
- (e) define strategies and policies to generate income for the Institute;
- (f) negotiate and enter into any agreement or make any arrangement with any other Institute, agency, person or body of persons in connection with Institute's objectives;
- (g) enter into employments contracts and contracts for services with third parties;
- (h) engage and/or promote any activity for the purpose of promoting and/or furthering the education and continued professional development in relation to the accountancy profession;
- (i) define strategies and policies in line with the Institute's objectives and take the necessary decisions for the furtherance of same;
- (j) enact, amend, and repeal Bye-Laws and any other documentation for the furtherance of the vision and objectives of the Institute and the better execution of this Statute;
- (k) issue, establish and amend Codes of Ethics and other technical guidance;
- (l) elect the Officers' Committee;
- (m) establish and appoint Committees as it deems fit and revoke the establishment and appointment of members on any such Committees;
- (n) take decisions in relation to membership matters in accordance with article 8 of this Statute and the Members' Bye-Law;
- (o) take decisions in relation to students in accordance with the Students Bye-Law;
- (p) undertake arrangements to set up qualifications administered by the Institute or by agents appointed by the Institute solely for this purpose.

### **10.11.1 PRINCIPLES TO BE UPHELD BY COUNCIL MEMBERS**

In exercising their powers, Council members shall:

- (i) uphold good governance standards;
- (ii) discharge their duties in good faith and in the best interest of the Institute;
- (iii) not use their position or the information received as a Council member for one's own personal interests or someone else's or to the detriment of the Institute; and

(iv) be bound by confidentiality.

Council members are considered to be bound by fiduciary obligations towards Members and Member Firms when exercising their duties.

## **10.12 DELEGATION OF POWERS**

Council may delegate any of its powers, authorities and discretions to the Officers' Committee, the Chief Executive Officer and any other Committee in accordance with such conditions as it may deem fit. It may also at any time revoke such delegation.

Save as provided in article 5 of this Statute, all payments on behalf of the Institute shall be authorised by any two (2) of the following: the President, the Vice-President, the Secretary, the Treasurer and the Chief Executive Officer. Council may also delegate such power to an employee to authorise any payments on behalf of the Institute jointly with any one of above persons by means of a written resolution or a written power of attorney. All other legal documents or deeds shall be authorised as stipulated in article 5 of this Statute.

## **10.13 PROCEEDINGS OF THE COUNCIL**

### **10.13.1 MEETINGS OF THE COUNCIL**

The Council shall meet as and when necessary but not less than eleven (11) meetings shall be held every year. Council meetings shall be held physically at the office of the Institute or at such other place as it may determine. Council meetings may also be held virtually using relevant technology, provided that all Council members shall be given the opportunity to participate in the Meeting and to cast their vote.

A meeting of the Council may at any time be called by the President or in his absence by the Vice-President or on a request in writing to the Secretary by three (3) Council members.

### **10.13.2 NOTICE OF MEETINGS OF THE COUNCIL**

At least seven (7) working days' notice of a meeting of the Council shall be sent to each Council member except in the case of an urgent meeting. The notice shall as far as practicable contain the agenda of such meeting. The non-receipt of such notice by any Council member shall not invalidate the proceedings of such meeting.

### **10.13.3 CHAIRPERSON OF MEETINGS OF THE COUNCIL**

All meetings of the Council shall be chaired by the President or in his absence by the Vice-President. In the absence of both, the other members of the Officers' Committee who are present shall choose one from amongst themselves to chair the said meeting.

### **10.13.4 VOTING AT MEETINGS OF THE COUNCIL**

Except where otherwise provided in the Statute, every decision taken at a Council meeting shall be determined by simple majority of all Council members elected.

Every Council member shall have one vote with the exception of ex-officio Council members as specified in article 10.3 of this Statute. In the case of equality of votes, the Chairperson shall have a casting vote in addition to his original vote.

Council members who have a conflict of interest in relation to any matter being discussed by Council must desist from participating and voting in any meeting during which any matter in relation to which such a conflict exists will be discussed.

#### **10.13.5 ADJOURNMENT OF MEETINGS OF THE COUNCIL**

The Chairperson may, with the consent of the members present for the meeting, adjourn a Council meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. No notice need be given of an adjourned meeting unless it is so established in the resolution for adjournment.

#### **10.13.6 QUORUM OF MEETINGS OF THE COUNCIL**

The number of members present to form a quorum at all meetings of the Council shall be made up of a simple majority of the members elected on Council.

Council members shall make their best efforts to attend all Council meetings. Where a Council member is unable to be physically present for a meeting, it is possible for him to participate virtually. A member so participating shall be deemed to be present in person and shall be counted in the quorum accordingly.

#### **10.13.7 MINUTES OF MEETINGS OF THE COUNCIL**

Proper minutes of all proceedings and decisions of every meeting of the Council along with the attendance of the Council members present shall be recorded. Minutes shall include the rationale underlying any decision taken and the underlying discussions including specific concerns raised by individual Council members. Once approved by the Council members, the minutes are signed by the Chairperson.

#### **10.14 INDEMNIFICATION OF THE COUNCIL**

The Council members shall be indemnified by the Institute for all losses and expenses incurred by them in the discharge of their duties, except such as may happen from their own wilful misconduct.

### **11. THE OFFICERS' COMMITTEE**

There shall be an Officers' Committee which shall be composed of the following: President, Vice-President, Secretary and Treasurer.

No remuneration (except by way of reimbursement of out-of-pocket expenses, if any) shall be paid to any of the Officers in respect of their office.

#### **11.1 ELECTION OF OFFICERS**

At the first meeting of the Council after every Annual General Meeting of the Institute, Council members shall elect the Officers' Committee by a secret ballot. The Officers will be elected from

amongst those Council members who would have submitted their nomination for this purpose as prescribed in the articles below, provided that they have served on Council for at least one (1) term, as defined in article 10.2 of this Statute. Such criteria may be waived subject to the approval of the majority of Council members.

### **11.1.1 NOTICE AND SUBMISSION OF NOMINATIONS FOR OFFICERS' POSTS**

A notice of this first (1<sup>st</sup>) Council meeting shall be sent to existing Council members and where applicable to any other Members who have nominated themselves for Council by not later than five (5) weeks before the date of such meeting. Such notice shall include the date of the meeting and shall invite recipients to submit their nomination for any of the four (4) Officer posts. Such submission shall be seconded by another Council member and shall be made in writing in the manner prescribed by Council within one (1) week from the issuance of such notice.

In the eventuality of insufficient nominations, Council shall be informed accordingly, so that nominations for all positions are submitted by not later than two (2) weeks from the issuance of the notice.

A communication to existing Council members and other Members who have nominated themselves for Council shall be issued by not less than two (2) weeks and by not more than three (3) weeks before the date of the meeting, communicating the nominations received for the posts and the Council member seconding the nomination.

### **11.1.2 ELECTION**

#### **One (1) nominated candidate for any of the posts**

The candidate shall be elected if he obtains more than fifty percent (50%) of the votes cast.

#### **More than one (1) nominated candidate for any of the posts**

Any of the candidates shall be elected if he obtains more than fifty percent (50%) of the votes in the first (1<sup>st</sup>) count.

Otherwise, successive secret votes are to be taken by Council members, at which point, the candidate obtaining the least votes withdraws from the election and a fresh secret vote is held with the remaining candidates until the stage at which only two (2) candidates remain.

When there are two (2) candidates for a post (either because there were originally two (2) candidates or as a result of the above-mentioned procedure), a secret vote shall be taken by Council for the two (2) candidates. The candidate receiving more than fifty percent (50%) of the votes shall be elected to the post. A re-election shall take place in case of equality of votes.

#### **Insufficient nomination for any of the posts**

Circumstances can arise leading to insufficient nominations for any of the posts. These include:

- (a) a Member who nominated himself for election as an Officer is not elected as a Council Member in the Annual General Meeting; or
- (b) a Member who nominated himself for election as an Officer is not elected as an Officer by Council.

In such circumstances, Council members shall be required to nominate themselves and an election shall take place accordingly.

The election process shall be closed off with the reading of the results.

## **11.2 OFFICERS' TERM OF OFFICE**

The Officers' Committee shall hold office until the first (1<sup>st</sup>) meeting of the Council held after the next Annual General Meeting, unless any of its Officers would have resigned from office or ceased to be a Council member. Any such vacancy in the Officers' Committee, shall be filled by Council at the first (1<sup>st</sup>) meeting after the said vacancy would have arisen.

No member can occupy the same role in the Officers' Committee for more than two (2) consecutive terms.

## **11.3 OBJECTIVES OF THE OFFICERS' COMMITTEE**

The Officers' Committee shall be responsible for overseeing the execution of the Council's policy-setting and in so doing may give directions to the Chief Executive Officer. The Officers' Committee shall carry out any other duties delegated to it by Council and adopt decisions on matters where such powers have been vested in it by Council. Three (3) members of the Officers' Committee shall form a quorum at Officers' meetings.

## **11.4 ROLE OF THE OFFICERS' COMMITTEE MEMBERS**

The President shall preside at all General Meetings, Council meetings and Officers' Committee meetings.

The Vice-President shall preside at General Meetings, Council meetings and Officers' Committee meetings with full powers in the absence of the President.

The Secretary shall be responsible for all the secretarial and administrative work of the Council/Officers' Committee.

The Treasurer shall be responsible for all the financial and accounting work of the Institute.

## **12. CHIEF EXECUTIVE OFFICER**

There shall be a Chief Executive Officer who shall be recruited by Council.

The Chief Executive Officer:

- (a) shall be responsible for the implementation and execution of the strategies, decisions taken and policies set by the Council;
- (b) shall always act to support the Council and shall follow any decision of the Council and the Officers' Committee;
- (c) shall always carry out the duties diligently and in the best interests of the Institute;
- (d) shall report to the Officers' Committee and to Council as appropriate;
- (e) shall be a fit and proper person and shall have the qualities required to fulfil the role and commensurate to the obligations incumbent upon him; and
- (f) cannot be a Council member and is not entitled to vote at Council meetings.

The Officers' Committee shall assume the role of the Chief Executive Officer should the post become vacant in order to ensure that the daily operations of the Institute are not impeded until such time as a new Chief Executive Officer assumes office.

## **13. COMMITTEES**

Subject to the provisions of the Statute and Bye-laws, the Council may delegate any of its functions to Committees comprising of Members and other persons as Council may think fit. Any such Committee shall, in the exercise of the duties so delegated, conform to any guidance which may from time to time be provided to it by Council.

In all circumstances, no decision of any Committee shall be binding upon the Institute unless ratified by the Officers' Committee.

## **14. STRUCTURE FOR DISCIPLINARY PROCEEDINGS**

There shall be a Disciplinary Pool, an Appeals Pool, a Disciplinary Committee and an Appeals Board as prescribed below. The Disciplinary Committee and Appeals Board shall each have a Chairperson and Deputy Chairperson.

### **14.1 CALL FOR EXPRESSION OF INTEREST**

A notice shall be sent to Members to express their interest to form part of the Disciplinary Pool and the Appeals Pool. Such notice shall be issued by the Institute to its Members at least twelve (12) weeks before the expiration of the respective terms of office. Members applying for any of these posts shall meet the criteria listed below. Applications shall be submitted in writing in the manner prescribed by Council within the deadline stipulated by Council.

### **14.2 ELIGIBILITY CRITERIA FOR THE ROLE OF THE CHAIRPERSON AND DEPUTY CHAIRPERSON OF THE DISCIPLINARY COMMITTEE, THE CHAIRPERSON AND DEPUTY CHAIRPERSON OF THE APPEALS BOARD AND TO FORM PART OF THE DISCIPLINARY POOL AND APPEALS POOL**

A Member of the Institute shall be eligible for any of these roles provided that:

- (a) he has practiced in the accountancy profession for a period of not less than fifteen (15) years;
- (b) he is a warrant holder;
- (c) he has a clean criminal record;
- (d) he has not been interdicted or incapacitated; and
- (e) no effective disciplinary action has been taken against him and no sanction has been imposed in his regard whether by the Institute or otherwise.

Provided that:

A Member having served for two (2) terms as Chairperson and/or Deputy Chairperson of the Disciplinary Committee shall not be eligible for re-nomination to the post of Chairperson and/or Deputy Chairperson of the Disciplinary Committee. Provided further that a Member occupying the position of member of the Appeals Pool shall not be eligible for nomination to the post of Chairperson or Deputy Chairperson of the Disciplinary Committee.

A Member occupying the position of Chairperson of the Disciplinary Committee or Deputy Chairperson of the Disciplinary Committee or a member of the Appeals Pool shall not be eligible for nomination to a post on the Disciplinary Pool.

A Member occupying the position of Chairperson of the Disciplinary Committee or Deputy Chairperson of the Disciplinary Committee or a member of the Disciplinary Pool shall not be eligible for nomination to the post of Chairperson and/or Deputy Chairperson of the Appeals Board.

A Member occupying the position of Chairperson of the Disciplinary Committee or Deputy Chairperson of the Disciplinary Committee or a member of the Disciplinary Pool shall not be eligible for nomination to a post on the Appeals Pool.

### **14.3 NOMINATIONS, APPOINTMENT AND TERM OF THE CHAIRPERSON AND DEPUTY CHAIRPERSON OF THE DISCIPLINARY COMMITTEE**

There shall be a Chairperson and a Deputy Chairperson of the Disciplinary Committee who shall be nominated for appointment by a majority vote of the Council from those Members who have met the eligibility criteria prescribed above. The nominated Chairperson and Deputy Chairperson of the Disciplinary Committee shall be appointed to their respective post following a majority vote of the Members present and entitled to vote at the next Annual General Meeting of the Institute, or at an Extraordinary General Meeting of the Institute called for this purpose.

The Chairperson and Deputy Chairperson of the Disciplinary Committee so appointed shall hold the position for a term of three (3) years. In the eventuality that the said three (3) year term expires but, due to extraordinary circumstances, it is highly impractical for an Annual General Meeting or an Extraordinary General Meeting to be called, the said term will be extended until the next Annual General Meeting is called.

### **14.4 APPOINTMENT AND TERM OF THE DISCIPLINARY POOL**

There shall be a Disciplinary Pool which shall be composed of ten (10) Members who have met the eligibility criteria prescribed above. The said pool shall be appointed by a majority vote of the Council during the first (1<sup>st</sup>) Council meeting following the appointment of the Chairperson and Deputy Chairperson of the Disciplinary Committee for a term of three (3) years as per article 14.3 of this Statute. In the eventuality that the term of the Chairperson and Deputy Chairperson of the Disciplinary Committee is extended pursuant to article 14.3 of this Statute, the same shall apply to the term of the members of the Disciplinary Pool.

Members serving in the Disciplinary Pool shall be eligible for reappointment to the Disciplinary Pool for further terms.

### **14.5 THE DISCIPLINARY COMMITTEE**

The role of the Disciplinary Committee is to determine whether a Member/Student is liable for disciplinary action, and, if so, what sanction, if any should be imposed.

When the Chairperson of the Disciplinary Committee is informed that a Charge has been presented to Council in line with Bye-Law 3 (Disciplinary Proceedings), he must ensure and declare that he does not have any conflict of interest in relation to the relevant case.

Where the Chairperson is, due to a conflict of interest or otherwise, not in a position to chair the Disciplinary Committee, the Deputy Chairperson of the Disciplinary Committee shall take his stead. In the eventuality that both have a conflict, the Chairperson shall be appointed by Council from the remaining members of the Disciplinary Pool.

The Chairperson of the Disciplinary Committee shall appoint another four (4) members from amongst the Deputy Chairperson of the Disciplinary Committee and the members of the Disciplinary Pool to form part of the Disciplinary Committee.

Any member of the Disciplinary Pool who is requested to form part of the Disciplinary Committee must ensure and declare that he does not have any conflict of interest in relation to the relevant case.

Where a seat within an appointed Disciplinary Committee is vacated for any reason whatsoever, the Chairperson shall appoint a replacement from amongst the members of the Disciplinary Pool.

The Disciplinary Committee may put a request to the Officers' Committee to appoint experts and/or engage a lawyer to assist it in carrying out its function. In the eventuality that the Officers' Committee declares that it has a conflict of interest, the matter shall be referred to Council. In taking its decision, Officers/Council are/is obliged to ensure that the Disciplinary Committee is provided with the necessary assistance required. The appointment of the said experts/engagement of the lawyer will only take place after the relevant approval from the Officers' Committee or Council is obtained. Such experts/lawyer shall not have voting rights.

Presence of the Chairperson and another two (2) Committee members shall constitute a quorum during sittings of the Disciplinary Committee.

The Chairperson has the discretion to appoint a new Disciplinary Committee for every Charge presented to Council and a Disciplinary Committee shall remain so constituted until the disciplinary proceedings before such Disciplinary Committee are concluded, irrespective of the duration of such disciplinary proceedings. For the avoidance of doubt, the Disciplinary Committee shall remain so constituted even though its term expires.

## **14.6 NOMINATIONS, APPOINTMENT AND TERM OF THE CHAIRPERSON AND DEPUTY CHAIRPERSON OF THE APPEALS BOARD AND THE APPEALS POOL**

There shall be a Chairperson and Deputy Chairperson of the Appeals Board and an Appeals Pool which shall be composed of ten (10) Members. Such persons shall be nominated for appointment by a majority vote of the Council from those Members who have met the eligibility criteria prescribed above. The nominated Chairperson and Deputy Chairperson of the Appeals Board and the Appeals Pool shall be appointed to their respective posts following a majority vote of the Members present and entitled to vote at the next Annual General Meeting of the Institute or at an Extraordinary General Meeting of the Institute called for this purpose.

The Chairperson and Deputy Chairperson of the Appeals Board and the members of the Appeals Pool shall hold the position for a term of three (3) years. In the eventuality that the said three (3) year term expires but, due to extraordinary circumstances, it is highly impractical for an Annual General Meeting or an Extraordinary General Meeting to be called, the said term will be extended until the next Annual General Meeting is called.

A Member having served for two (2) terms as Chairperson and/or Deputy Chairperson of the Appeals Board shall not be eligible for nomination to the post of Chairperson and/or Deputy Chairperson of the Appeals Board.

Members of the Appeals Pool shall be eligible for reappointment for further terms.

## **14.7 THE APPEALS BOARD**

The role of the Appeals Board is to determine all appeals referred to it in relation to findings/sanctions imposed by the Disciplinary Committee.

When the Chairperson of the Appeals Board is informed that an appeal request has been received in accordance with Bye-Law 3 (Disciplinary Proceedings), he must ensure and declare that he does not have any conflict of interest in relation to the relevant case.

Where the Chairperson is, due to a conflict of interest or otherwise, not in a position to chair the Appeals Board, the Deputy Chairperson of the Appeals Board shall take his stead. In the eventuality that both have a conflict, the members of the Appeals Pool shall select a Chairperson from amongst themselves.

The Chairperson of the Appeals Board shall appoint another four (4) members from amongst the Deputy Chairperson of the Appeals Board and the members of the Appeals Pool to form part of the Appeals Board.

Any member of the Appeals Pool who is requested to form part of the Appeals Board must ensure and declare that he does not have any conflict of interest in relation to the relevant case.

Where a seat within an appointed Appeals Board is vacated for any reason whatsoever, the Chairperson shall appoint a replacement from amongst the members of the Appeals Pool.

The Appeals Board may put a request to Officers to appoint experts and/or engage a lawyer to assist it in carrying out its function. In the eventuality that the Officers' Committee declares that it has a conflict of interest, the matter shall be referred to Council. In taking its decision, Officers or Council are/is obliged to ensure that the Appeals Board is provided with the necessary assistance required. The appointment of the said experts/engagement of the lawyer shall only take place after the relevant approval from Officers or Council is obtained. Such experts/lawyer shall not have any voting rights.

Presence of the Chairperson and another two (2) Board members shall constitute a quorum during sittings of the Appeals Board.

The Chairperson has the discretion to appoint a new Appeals Board for every appeal request received and an Appeals Board shall remain so constituted until the appeals proceedings before such Appeals Board are concluded, irrespective of the duration of such disciplinary proceedings. For the avoidance of doubt, the Appeals Board shall remain so constituted even though its term expires.

## **14.8 VACATION OF OFFICE OF THE CHAIRPERSON OR DEPUTY CHAIRPERSON OF THE DISCIPLINARY COMMITTEE, CHAIRPERSON OR DEPUTY CHAIRPERSON OF THE APPEALS BOARD AND VACANCIES IN THE DISCIPLINARY POOL OR APPEALS POOL**

The post of the Chairperson or Deputy Chairperson of the Disciplinary Committee, the post of the Chairperson or Deputy Chairperson of the Appeals Board and the post of a member of the Disciplinary Pool or Appeals Pool shall be deemed to be vacant in the following cases:

- (a) he passes away; or
- (b) he resigns; or
- (c) he no longer meets the eligibility criteria stipulated in article 14.2 of this Statute.

Where the post of the Chairperson or Deputy Chairperson of the Disciplinary Committee becomes vacant prior to the expiry of his term, members of the Disciplinary Pool shall appoint a replacement from amongst themselves to fill in the vacant post for an interim period. An Extraordinary General Meeting may be held in order to appoint a Chairperson or Deputy Chairperson of the Disciplinary Committee for the outstanding period until the three (3) year term expires.

Where there is a vacancy in the Disciplinary Pool, Council may appoint a new Member to fill in such post for the outstanding period until the three (3) year term expires.

Where the post of the Chairperson or Deputy Chairperson of the Appeals Board becomes vacant prior to the expiry of his term, members of the Appeals Pool shall appoint someone from amongst themselves to fill in the vacant post for an interim period. An Extraordinary General Meeting may be held in order to appoint a Chairperson or Deputy Chairperson of the Appeals Board for the outstanding period until the three (3) year term expires.

Where there is a vacancy in the Appeals Pool, an Extraordinary General Meeting may be held in order to fill in such post for the outstanding period until the three (3) year term expires.

#### **14.9 RESIGNATION FROM THE POST OF THE CHAIRPERSON OR DEPUTY CHAIRPERSON OF THE DISCIPLINARY COMMITTEE, THE POST OF THE CHAIRPERSON OR DEPUTY CHAIRPERSON OF THE APPEALS BOARD AND FROM A MEMBER OF THE DISCIPLINARY POOL OR APPEALS POOL**

Any resignations shall be submitted in writing to Council.

#### **15. DISSOLUTION**

The Institute may be dissolved only with authorisation of Council given at an ad-hoc meeting called for that purpose and with subsequent approval by a two-thirds (2/3) vote of the Members at an Extraordinary General Meeting called for this purpose.

Upon dissolution or other termination of the Institute, all remaining assets of the Institute, after payment in full of all its debts, obligations, and necessary final expenses, or after the making of adequate provision therefor, shall be distributed to such educational establishments or other voluntary organisations or body of persons (with purposes similar to the Institute) as shall be chosen by the then existing Council of the Institute.

## **16. THE AUDITOR**

### **16.1 APPOINTMENT OF THE AUDITOR**

At each Annual General Meeting, the Members present shall appoint a registered auditor or a firm of auditors (the auditor) and shall either determine the auditor's remuneration for that year or shall authorise Council to establish such remuneration.

Council members and firms of auditors that have a director, partner or employee as a Council member, shall not be eligible for appointment as auditor.

In the event of any vacancy occurring in the office of auditor between two Annual General Meetings, or in the event of a vacancy not being filled at an Annual General Meeting, the said vacancy shall be filled by the Council at a meeting, summoned with notice of the object.

### **16.2 AUDITOR'S TERM OF OFFICE**

Auditors are appointed for a one (1) year term but shall be eligible for reappointment.

### **16.3 REMOVAL OF THE AUDITOR AND VACANCY IN THE AUDITOR'S OFFICE**

The auditor appointed in terms of article 16.1 of this Statute may be removed from his office before the expiry of his term only by a resolution passed at an Extraordinary General Meeting convened for the purpose. The said auditor shall be entitled to be heard at this meeting.

The Members present shall appoint another auditor in his stead if it is resolved that the auditor is so removed.

### **16.4 AUDITOR'S RIGHT TO ATTEND MEETINGS**

The auditor shall be entitled to attend all Annual General Meetings and receive all notices related to such meetings which Members and Member Firms are entitled to receive. The same shall apply for Extraordinary General Meetings which relate to his role. The auditor shall have the right to be heard at any such meetings.

## **17. INSTITUTE'S COMMON SEAL**

The Institute's Common Seal shall be kept in such custody as the Council may determine from time to time. It shall not be affixed to any instrument except by order of the Council.