

BY-LAWS AND APPENDICES

PART A – GENERAL PROVISIONS

1 Definitions

In these By-laws, unless inconsistent with the context, words and phrases defined in paragraph 2 of the Constitution will have the same meaning as in that paragraph, and the following words and phrases will have the meanings reflected below:

- 1.1 “Associate” means a person who has satisfied the requirements for associateship pursuant to the By-laws and who has been granted associateship of the Institute;
- 1.2 “Chief Executive Officer” or “CEO” means the chief executive officer of the Institute by whatever title he or she may be known;
- 1.3 “Constitution” means the constitution of the Institute as amended from time to time;
- 1.4 “Institute” means The South African Institute of Chartered Accountants (SAICA);
- 1.5 “International Member” means a Member who is ordinarily resident outside the Republic for a full year;
- 1.6 “IRBA” means the Independent Regulatory Board for Auditors established in terms of the Auditing Profession Act, 26 of 2005;
- 1.7 “Management Committees” means the committees appointed by the CEO which assists the CEO in the day-to-day management of the affairs of the Institute.
- 1.8 “Meetings” means meetings of the Board, Members and Associates or Council, as the context requires;
- 1.9 “Members” shall, unless the contrary intention appears, mean Chartered Accountant members of the Institute in one or more of the following categories:
 - 1.9.1 “Long Service Member” means a Member who has been elected as such by the Board;
 - 1.9.2 “Honorary Life Member” means a Member who has been elected as such by the Board;
 - 1.9.3 “Member in public practice” means a Member resident in South Africa who holds himself or herself out to the public as being in public practice to provide professional services for reward;
 - 1.9.4 “Member not in public practice” means any Member who is not a Member in public practice as defined;
 - 1.9.5 “Reciprocal member” means a Member in good standing of a body of accountants recognised by the Board for such purposes and who has been admitted in terms of By-law 30.2;
- 1.10 “Month” means a month commencing on the first day of the month;
- 1.11 “Region” means a region as determined by the Board from time to time and are more fully defined in Appendix 3 to these By-laws;
- 1.12 “Registered address” in respect of any Member or Associate means the address of such Member or Associate last recorded or deemed to have been recorded in terms of By-law 17;

1.13 “Registered with IRBA” means any person whose name is entered in the registers established and maintained by IRBA;

1.14 “Secretariat” means the officers and employees appointed by the Board;

2 Documents issued under the authority of the Institute

In every document issued under the authority of the Institute, unless inconsistent with the context, words and expressions in the masculine gender include the feminine and words signifying the singular number include the plural and vice versa.

3 Board

The affairs of the Institute shall be governed by the Board comprising the individuals appointed and elected in terms of paragraph 6 of the Constitution. The composition, roles, responsibilities and powers of the Board, are set out in the Board Charter which is attached to these By-laws as Appendix 1.

4 Council

The Board will be advised, at its request, by a Council consisting of the Members appointed in terms paragraph 8 of the Constitution. The composition, function and mandate of the Council are set out in the Council Charter which is attached to these By-laws as Appendix 2.

5 Eligibility of Board and Council Members

5.1 A person shall not be eligible for appointment if:

- 5.1.1 he or she is declared insane or incapable of managing his or her affairs;
- 5.1.2 he or she is an un-rehabilitated insolvent, or if he or she surrenders his or her estate for the benefit of his or her creditors or makes an offer of compromise to his or her creditors;
- 5.1.3 he or she is convicted in the Republic or elsewhere of any criminal offence of which dishonesty is an element or which, in the opinion of the Board, is of a disgraceful or dishonourable nature, and a period of 10 (ten) years since such conviction has not elapsed;
- 5.1.4 he or she being a Member, is found by the IRBA or by a Disciplinary Committee of the Institute to have conducted himself or herself in an unprofessional manner, and sentenced to a fine exceeding an amount to be determined by the Board from time to time, or is suspended from membership of the Institute, and a period of 10 (ten) years since such finding by the IRBA or Disciplinary Committee of the Institute, as the case may be, has not elapsed; or
- 5.1.5 he or she not being a Member, is found to have conducted himself or herself in an unprofessional manner by his or her relevant professional body or is suspended from membership of that body, and a period of 10 (ten) years since such finding of that body has not elapsed.

5.2 The appointment of a member of the Board or Council shall terminate ipso facto, and he or she shall vacate his or her office, on the happening of any of the following events:

- 5.2.1 he or she being a Member, ceases to be a Member;
- 5.2.2 he or she resigns his or her office by notice in writing to the Board or Council;
- 5.2.3 he or she is absent for more than two consecutive meetings without the leave of the Chairperson;
- 5.2.4 he or she is declared insane or incapable of managing his or her affairs;

- 5.2.5 he or she is sequestered, provisionally or finally, or surrenders his or her estate for the benefit of his or her creditors or makes an offer of compromise to his or her creditors;
- 5.2.6 he or she is convicted in the Republic or elsewhere of any criminal offence of which dishonesty is an element or which, in the opinion of the Board, is of a disgraceful or dishonourable nature;
- 5.2.7 he or she being a Member, is found by the IRBA or by a Disciplinary Committee of the Institute to have conducted himself or herself in an unprofessional manner, and sentenced to a fine exceeding an amount to be determined by the Board from time to time, or is suspended from membership of the Institute;
- 5.2.8 he or she not being a Member, is found to have conducted himself or herself in an unprofessional manner by his or her, relevant professional body or is suspended from membership of the that body or has been removed from an office of trust on account of misconduct.
- 5.2.9 if the Member's performance is found to be unsatisfactory by the Board or Council.
- 5.2.10 he or she is removed by a majority vote of the Board or Council respectively, as provided for in the Constitution.

6 Regional Councils

- 6.1 The primary role of the Regional Council is to facilitate the active participation of Members in regional, functional and technical committees, and to work in conjunction with the regional office of the Institute to implement national strategy through facilitating appropriate activities at a regional and district level, including networking, knowledge sharing and social and community based activities.
- 6.2 The Regional Council shall consist of Members who are resident in that Region, appointed in accordance with the terms of a constitution established by that Regional Council and approved by the Board, and being consistent with the Constitution with due recognition of the entrenched rights of the Members within that Region whose province falls within the area of jurisdiction of that Regional Council.

7 Powers of the Regional Council

The Regional Council shall represent the interests of the Members who are resident within the region and, without prejudice to the extent of such general powers, shall:

- 7.1 appoint representatives to the Council in accordance with the provisions of By-laws 4 and 5;
- 7.2 assist the Council in communication between Members in the Region and the Board;
- 7.3 advise the Council on the development of Institute strategy;
- 7.4 monitor the implementation of Institute strategy in the Region;
- 7.5 ensure as far as possible that adequate services are being offered to Members in the Region;
- 7.6 work with the Institute in the Region;
- 7.7 have the power to impose user-based fees on Members and Associates for the purposes of enabling the Region to achieve its objectives;
- 7.8 prepare and submit plans and budgets for regional expenses for approval by the Board and shall report on its financial statements to the Institute; and

- 7.9 establish provincial associations and district association, where appropriate groupings of Members exist, and discharge the responsibilities of district associations where district associations do not exist.

8 Regional secretariat

The CEO, in consultation with the Regional Council, may appoint such officers and employees of the regional secretariat on such terms and conditions as it shall deem fit, and may remove them or any of them and appoint another or others in their place.

9 Other Interest Groups

- 9.1 The Board may appoint committees, task groups or interest groups, other than those referred to in the Constitution or in these By-laws, to assist in the performance of its functions and duties in accordance with paragraph 6.3 of the Constitution.
- 9.2 The following provisions apply to all committees and task groups of the Institute:
- 9.2.1 one of the members of a committee, interest group or task group may be designated by the Board as Chairperson of the committee. Should the Board not so designate a member as chairperson or should the member so designated not be present or be unable to act at any particular meeting, the committee or task group shall elect a chairperson;
 - 9.2.2 the Board may determine a quorum for meetings of a committee, interest group or task group, and if not so determined, the quorum shall be fixed by the committee or task group;
 - 9.2.3 any committee, interest group or task group so formed shall comply with any instructions given by the Board and shall keep minutes of its meetings which shall be kept in a bound minute book;
 - 9.2.4 the Board may assign to a committee, interest group or task group so established such of its powers which it may deem fit, but it shall not be divested of any power which it may have assigned to a committee, interest group or task group and (save in the case the Professional Conduct Committee and the Disciplinary Committee) it may amend or revoke any decision of such committee, interest group or task group;
 - 9.2.5 any committee, interest group or task group to whom the foregoing powers have been assigned shall continue to act and retain the powers so assigned until its appointment is revoked by the Board; and
 - 9.2.6 the Board shall require each committee, interest group or task group to draft a charter or terms of reference as appropriate and submit them to the Board for approval and are subject to review on an annual basis.
- 9.3 The Board shall form a Nominations and Governance Committee to advise it on the composition of Board committees and the boards of any other entities controlled by the Institute.
- 9.4 The Board shall form an Audit and Risk Committee which shall include at least **2 (two)** members who are not members of the Board or employed by the Institute.
- 9.5 The Board should ensure that, at a minimum, there are committees appointed within SAICA to cover the following core areas:
- 9.5.1 Education - Initial Professional Development;
 - 9.5.2 Assurance;
 - 9.5.3 Financial Reporting/ Accounting Practices;
 - 9.5.4 Ethics; and

9.5.5 Taxation.

10 Chairperson of meetings

The Chairperson of the Institute, or in his or her absence, a Lead Independent Board Member, shall preside at all meetings of the Board.

11 Head office

The head office of the Institute shall be situated at such place as the Board may from time to time determine.

12 Secretariat

The Board may appoint such officers and employees of the Institute on such terms and conditions as it shall deem fit, and may remove them or any of them and appoint another or others in their place. This authority may be delegated to the CEO.

13 Annual financial statements (AFS), Annual Integrated Report (IR) and audit

13.1 The Board shall cause:

13.1.1 records to be properly kept of all transactions undertaken in the name of the Institute; and

13.1.2 annual financial statements and an annual integrated report to be prepared. Such financial statements shall be audited by a Member or firm appointed by the Members at the annual general meeting. The remuneration of the auditor shall be approved by the Board on recommendation by the Audit and Risk Committee after it has consulted with the CEO, and shall be disclosed in the annual financial statements.

13.2 The Institute's financial year will end on 31 December each year.

14 Registers of Members, Associates and Trainee Accountants

14.1 The Board shall maintain registers in which shall be recorded the name of each person admitted to membership or associateship of the Institute, or who is registered as a Trainee Accountant. In the event of any person ceasing to be a Member, Associate or Trainee Accountant for any reason whatsoever, his or her name shall be deleted from the register.

14.2 The Institute may publish from time to time a searchable list of Members and Associates.

15 Certificates of Membership and Associateship

All certificates of membership and associateship of the Institute shall be made in the form from time to time prescribed by the Board and shall be and remain the property of the Institute. Every Member and Associate shall be entitled to receive from the Institute a certificate of membership or associateship, as the case may be, but in the event of suspension, or removal, or cessation of membership or associateship for any reason, such certificate shall be delivered to the Board.

16 Death of Member, Associate or Trainee Accountant

Upon the Board being satisfied of the death of any Member, Associate or Trainee Accountant, his or her name shall be removed from the register.

17 Registered address and notices

- 17.1 Every Member, Associate and Trainee Accountant shall provide the Institute with his or her email address and physical address and shall notify it of any change thereof. The addresses in the records of the Institute of persons who are Members, Associates and Trainee Accountants at the commencement of these By-laws shall be deemed to be the email addresses and physical addresses of such Members, Associates or Trainee Accountants.
- 17.2 Any notice, including notice of disciplinary proceedings, required by these By-laws to be given to a Member, Associate or Trainee Accountant, may be given by sending it to such Member, Associate or Trainee Accountant, at his or her email address or physical address.
- 17.3 The Institute may elect whether to notify the Member, Associate or Trainee Accountant by email or by delivery of notice to their physical address, and both such methods of notification shall constitute valid service. Notice shall be deemed to have been served at the time when it was dispatched by email or physically delivered.

18 Disciplinary Panel and Professional Conduct and Disciplinary Committees

- 18.1 There shall be appointed by the Board:
- 18.1.1 a Disciplinary Panel, which shall consist of Members, from which Members will be drawn to participate in the hearing of disciplinary matters in terms of these By-laws;
- 18.1.2 the following committees, which shall carry out the duties and exercise the functions and powers granted to them under these By-laws:
- 18.1.2.1 one or more Professional Conduct Committees, which shall consist of not less than 3 (three) members, of whom the Chairperson shall be either an advocate or an attorney of not less than 5 (five) years' experience, or a retired magistrate, appointed by the Board, the other members of the committee being selected from the Disciplinary Panel by the Board or any committee or person to whom that function is delegated by the Board. The quorum for a meeting of the Professional Conduct Committee shall be 2 (two), of whom 1 (one) shall be the Chairperson. Professional Conduct Committee shall have the right at any time to co-opt additional members, whether members of the Institute or otherwise, and who need therefore not be members of the Disciplinary Panel, to the Professional Conduct Committee whenever it deems such additional appointments necessary; and
- 18.1.2.2 1 (one) or more Disciplinary Committees, which shall consist of not less than 3 (three) members, of whom the Chairperson shall be either an advocate or an attorney of not less than 10 (ten) years' experience, or a retired magistrate, appointed by the Board, the other members of the committee being selected from the Disciplinary Panel by the Board or any committee or person to whom that function is delegated by the Board. The quorum for a meeting of the Disciplinary Committee. shall be 2 (two), of whom 1 (one) shall be the Chairperson. If for any reason a member of the Disciplinary Committee, other than the Chairperson, becomes unavailable after the commencement of a hearing by the Disciplinary Committee., the hearing shall continue with the remaining members, provided a quorum of members is present. A Disciplinary Committee shall have the right at any time to co-opt additional members, whether members of the Institute or otherwise, and who need therefore not be members of the disciplinary panel, to the Disciplinary Committee. whenever it deems such additional appointments necessary.

18.2 The Disciplinary Panel and the committees appointed in terms of this By-law shall remain in office and shall function until the appointment of their successors: provided that if at that date either of the said committees has still before it a partly heard matter, those members who comprise such committees shall continue to act as such for the purpose of completing such matter only. When a matter has been referred to IRBA in terms of By-law 19.2 it shall for the purposes of this By-law 18 not be deemed to be a partly heard matter and thereafter it shall be dealt with as a new matter. Any vacancies occurring at any time in the Disciplinary Panel may be filled by the Board.

19 Powers and duties of Professional Conduct Committee

19.1 A Professional Conduct Committee shall consider any complaint which is brought to its attention by the individual delegated by the CEO to perform the discipline function (designated officer) and which prima facie appears to indicate that a Member, former Member, Associate, former Associate, Trainee Accountant or former Trainee Accountant (hereinafter, for the purposes of By-laws 19, 20 and 21, referred to as the "accused") may have committed an offence under these By-laws. All complaints addressed to any other officer of the Institute shall be referred by him or her forthwith to a designated officer.

19.2 In cases where the accused concerned is or was registered with IRBA at the time of the alleged misconduct the designated officer shall refer the matter to IRBA. In all other cases the Professional Conduct Committee shall consider matters referred to it in terms of By-law 19.1.

19.3 Where a complaint is not referred to IRBA: The following provisions shall apply if the alleged misconduct does not require to be referred to IRBA as in By-law 19.2 or if for any reason IRBA advises that it is not competent or declines to institute disciplinary proceedings:

19.3.1 in any case where the designated officer has prima facie evidence that there has been a contravention of these By-laws, he or she may, in his or her discretion, before bringing the matter to the attention of the Professional Conduct Committee, advise the accused in writing of the nature of the complaint and call upon him or her to furnish his or her written explanation in answer to the complaint within 21 (twenty one) days after the date of such notice, and at the same time warn him or her that such explanation may be used in evidence against him or her.

19.3.2 The Professional Conduct Committee may, of its own motion, exercise its powers under these By-laws notwithstanding the absence of a complaint, in which event the provisions of By-law 19.3.7 shall apply.

19.3.3 Save where the Professional Conduct Committee otherwise decides, a complaint shall be in the form of an affidavit, detailing in precise terms the specific acts or failure complained of, and shall be lodged with the designated officer.

19.3.4 The Professional Conduct Committee may require a complainant to provide on affidavit further particulars on any aspect of the complaint.

19.3.5 The Professional Conduct Committee shall not be obliged to disclose the source of a complaint.

19.3.6 Upon receipt of a complaint the Professional Conduct Committee may, where it is of the opinion that the complaint does not disclose a prima facie case of improper conduct, or where a complainant has neglected or refused to comply with the requirements of these By-laws, dismiss the complaint and inform the complainant accordingly.

19.3.7 Upon receipt of a complaint the Professional Conduct Committee may, where it is of the opinion that a prima facie case has been made for improper conduct on the part of the accused:

19.3.7.1 except where this has already been done by the designated officer, advise the accused in writing of the particulars of the complaint and call upon him or her to furnish his or her written explanation in answer to the complaint within 21 (twenty one) days of such notice, and at the same time warn him or her that such explanation may be used in evidence against him or her;

19.3.7.2 at any time, and whether or not it has proceeded or also thereafter proceeds under paragraph 19.3.7.1 above, call upon the accused to appear at such time and place as the designated officer may determine, to explain, or elucidate, or discuss the matter without prejudice to his or her rights. The designated officer or the secretary of the Board may in their sole discretion postpone a meeting after it has been arranged by giving notice to the accused and to the members of the Professional Conduct Committee. Only the Professional Conduct Committee and not the accused will be entitled to call for such a meeting and the accused will not be entitled to be represented at the meeting.

19.3.8 When, upon consideration of the complaint and the accused's explanation in answer thereto, or elucidation of the matter, either written or oral, the Professional Conduct Committee is satisfied that:

19.3.8.1 the accused has given a reasonable explanation with regard to the conduct imputed to him or her; or

19.3.8.2 the conduct imputed to the accused does not constitute improper conduct; or

19.3.8.3 there is no reasonable prospect of proving that the accused has been guilty of the conduct imputed to him or her,

it may decide not to proceed further in the matter and shall advise the complainant and the accused accordingly.

19.3.9 If on receipt of the accused's explanation, the Professional Conduct Committee is not satisfied therewith or if no explanation is forthcoming, the Professional Conduct Committee shall have full power to:

19.3.9.1 caution; or

19.3.9.2 reprimand the accused; or

19.3.9.3 impose a fine on the accused of not more than half the maximum amount that the Disciplinary Committee may impose in terms of the provisions of By-law 20.8.3; or

19.3.9.4 suspend the accused from membership, associateship, or registration as a Trainee Accountant for a period not exceeding 12 (twelve) months; or

19.3.9.5 refer a formal complaint against the accused to the Disciplinary Committee,

provided that where the Professional Conduct Committee imposes a fine in terms of this By-law, it may suspend the payment of the fine or any part thereof on such conditions as it may determine.

- 19.3.10 If the Professional Conduct Committee has cautioned, reprimanded or fined such accused, the accused shall have the right to demand, within a period of 21 (twenty one) days after being notified in writing of the imposition of such caution, reprimand or fine, that the matter be referred to the Disciplinary Committee. In such an event the Disciplinary Committee shall deal with the matter anew as a formal complaint and shall, if it finds the accused guilty of the conduct complained of, be entitled to impose a sentence more severe than that imposed by the Professional Conduct Committee.
- 19.3.11 If the Professional Conduct Committee considers the offence to be so serious that it might warrant the imposition of a fine greater than half the maximum amount that the Disciplinary Committee may impose (as determined by the Board from time to time), or suspension or exclusion from membership or associateship, the matter shall be referred to the Disciplinary Committee to be dealt with in terms of By-law 20.
- 19.4 Where the accused is registered with IRBA, the following provisions shall apply in all cases where the accused concerned is, or was, registered with the IRBA at the time of the alleged misconduct:
- 19.4.1 The Professional Conduct Committee may not pursue any matter referred to IRBA in terms of By-law 19.2 or any other matter affecting an accused which may be dealt with by the IRBA unless IRBA or any committee thereof has for any reason stated that it is not competent or declines to institute proceedings.
- 19.4.2 Where the conduct of an accused has been investigated or dealt with by IRBA, whether as a result of a reference in terms of By-law 19.2 or otherwise, and IRBA or any committee of IRBA:
- 19.4.2.1 has found the accused not guilty of any alleged misconduct, the Professional Conduct Committee shall be obliged to accept that finding for all purposes of these By-laws and to dispose of the matter without taking any further steps against the accused in relation to the conduct complained of;
- 19.4.2.2 has found the accused guilty of one or more of the charges of misconduct and has sentenced him or her in respect thereof to a caution or a reprimand or to a fine in an amount not exceeding the amount which the Professional Conduct Committee is entitled to impose under By-law 19.3.9, whether or not payment of part or the whole thereof has been suspended:
- a) the Professional Conduct Committee shall be obliged to accept that finding and sentence for all purposes of these By-laws and to take no further steps against the accused in relation to the conduct complained of;
- b) the accused will be deemed to have been found guilty by the Professional Conduct Committee of an offence as contemplated in By-law 35.1 and a note to that effect, which shall also refer to the punishment imposed by IRBA, shall be entered on the record of the accused as to the finding of IRBA and the sentence imposed in respect thereof;
- c) the note of the finding of IRBA and the sentence imposed in respect thereof shall for all purposes of these By-laws be regarded as a record of a previous conviction by the Professional Conduct Committee of an offence under these By-laws and of the sentence imposed in respect thereof.

19.4.2.3 has found the accused guilty of one or more of the charges of misconduct and has sentenced him or her in respect thereof to a fine in excess of the amount which the Professional Conduct Committee is permitted to impose in terms of By-law 19.3.9.3, or to suspension from practice, or to the removal of his or her name from the register of registered auditors, or to qualified, temporary or permanent disqualification from registration as a registered auditor, whether or not payment of part or the whole thereof has been suspended, the Professional Conduct Committee shall refer the matter to the Disciplinary Committee to be dealt with in terms of By-law 20.

19.4.3 Notwithstanding anything to the contrary contained in these By-laws:

19.4.3.1 if IRBA or any committee of IRBA has investigated or dealt with the alleged misconduct of an accused and has found him or her not guilty thereof on the grounds that IRBA or any committee did not have capacity or jurisdiction or was not competent to investigate that conduct, then the Professional Conduct Committee shall nevertheless have the right itself to investigate the allegations in terms of these By-laws and to take whatever steps it deems appropriate in accordance with these By-laws;

19.4.3.2 a conviction or finding by IRBA or any committee of IRBA shall for purposes of these By-laws be accepted as conclusive evidence of a conviction or finding, and it shall not be necessary for any such purposes to adduce any evidence other than evidence of the conviction or finding.

19.5 The designated officer may appoint a Member, Associate or employee of the Institute, or may instruct an attorney or instruct an attorney to brief counsel, to act as the pro-forma prosecutor to present to the Disciplinary Committee any matter which has been referred to it by the Professional Conduct Committee.

20 Powers and Duties of Disciplinary Committee

20.1 On receipt of a formal complaint to the Disciplinary Committee in pursuance of By-law 19 or otherwise, the designated officer shall give the accused notice of the intention of the Disciplinary Committee to consider the complaint, specifying the time and place of the enquiry. The officer or the secretariat may in their sole discretion postpone the enquiry after it has designated been arranged by giving notice to the accused and to the members of the Disciplinary Committee.

20.2 Notwithstanding the provisions of By-law 20.1, where the conduct of the accused has been investigated or dealt with by IRBA or any committee of IRBA, whether as a result of a reference in terms of By-law 19.2 or otherwise, and IRBA or any committee of IRBA has found the accused guilty of one or more of the charges of misconduct and has imposed a sentence on him or her in respect thereof, and the matter has been referred to the Disciplinary Committee in terms of By-law 19.4.2.3:

20.2.1 the Disciplinary Committee shall be obliged to accept that finding and sentence for all purposes of these By-laws;

20.2.2 the accused will be deemed to have been found guilty by the Disciplinary Committee of an offence as contemplated in By-law 35.1 and a note to that effect, which shall also refer to the punishment imposed by IRBA, shall be entered on the record of the accused as to the finding of IRBA and the sentence imposed in respect thereof;

- 20.2.3 the note of the finding of the IRBA and the sentence imposed in respect thereof shall for all purposes of these By-laws be regarded as a record of a previous conviction by the Disciplinary Committee of an offence under these By-laws and of the sentence imposed in respect thereof, provided that notwithstanding anything contained in these By-laws, where the sentence imposed on the accused by the IRBA is suspension from practice, or the removal of his or her name from the register of registered auditors, or qualified, temporary or permanent disqualification from registration as a registered auditor, whether or not part or the whole thereof has been suspended, the Disciplinary Committee shall be obliged to accept the finding of the IRBA or any committee of the IRBA, but shall impose its own punishment on the accused, and for this purpose shall afford the accused an opportunity of making representations on the issue orally or in writing to the Disciplinary Committee;
- 20.2.4 notwithstanding anything to the contrary contained in these By-laws the right of the accused to be heard in terms of the provisions of this paragraph shall be limited solely to the question of the penalty to be imposed on him or her, including whether or not there should be publication of his or her name.
- 20.3 Should the accused against whom any complaint is preferred neglect or fail to attend before the Disciplinary Committee at the time and place indicated in the notice issued in terms of By-law 20.1, the Disciplinary Committee shall be entitled to proceed with its consideration of the complaint in his or her absence.
- 20.4 All evidence given at the hearing of a complaint by the Disciplinary Committee shall be viva voce unless the Disciplinary Committee resolves that the documents received in connection with the matter shall be admitted as evidence in the proceedings. If such documents are admitted in evidence this will nevertheless not prevent any further evidence from being admitted in the proceedings. The Disciplinary Committee shall also be entitled to obtain affidavits from any persons if it considers them necessary for the better investigation of the complaint. It shall be sufficient, for the purpose of proving the proper execution, or the terms or the content, or the authenticity, of a document for a copy of the document purporting to be a copy of the original to be used in evidence, subject to the right of any person to adduce evidence that such copy is not authentic.
- 20.5 The Disciplinary Committee shall also have the power to order the production for inspection of any books, documents and papers, inclusive of electronic records, in the possession of or under the control of the accused against whom the complaint has been made, or from any other Member or Associate, if it considers such books, documents and papers necessary for the better investigation of the complaint.
- 20.6 Where a hearing is being conducted and any person whose evidence may be material has not been called as a witness, the Disciplinary Committee may call such person as a witness.
- 20.7 The chairperson of the Disciplinary Committee shall be permitted to engage the services of an attorney or counsel at any stage of a hearing of the Disciplinary Committee to advise him or her on points of law and procedure.
- 20.8 If the Disciplinary Committee is of the opinion that the accused is guilty of a punishable offence, it shall make a finding to that effect and thereupon it shall have full power to order that the accused concerned be sentenced to one or more of the following punishments:
- 20.8.1 a caution;
- 20.8.2 a reprimand;
- 20.8.3 a fine of up to a maximum amount to be determined by the Board from time to time;

- 20.8.4 suspension from membership, associateship or registration as a Trainee Accountant for a period not exceeding 5 (five) years;
- 20.8.5 exclusion from membership or associateship or from registration as a Trainee Accountant; and
- 20.8.6 disqualification from applying for membership or associateship or registration as a Trainee Accountant permanently or for such period as the Disciplinary Committee may determine, or subject to such conditions as the Disciplinary Committee may determine;

provided that where the Disciplinary Committee imposes a fine in terms of By-law 20.8.3 it may suspend the payment of the fine or any part thereof on such conditions as it may determine; and where the Disciplinary Committee imposes a punishment in terms of By-law 20.8.4, 20.8.5 or 20.8.6, it may suspend the coming into effect of the punishment on such conditions as it may determine.

- 20.9 Any such fine may be recovered from the accused in civil proceedings in any court.
- 20.10 The Disciplinary Committee shall have the power to order any accused upon whom any punishment is imposed under these By-laws to pay such reasonable costs as the Institute may have incurred in connection with the investigation or hearing by the Disciplinary Committee, or such part of those costs as the Disciplinary Committee may consider just. Such costs may be recovered from the accused in civil proceedings in any court.
- 20.11 Any finding by the Disciplinary Committee resulting in suspension or exclusion from membership, associateship or registration as a Trainee Accountant shall ipso facto result in suspension or exclusion from membership, associateship or registration of all regional and district associations, as the case may be.
- 20.12 Notice of the finding and the decision of the Disciplinary Committee shall be given forthwith to the accused concerned.
- 20.13 Any person who has been excluded from membership, associateship or registration in terms of By-law 20.8.5 shall not be entitled to apply for re-admission as a Member, Associate or Trainee Accountant until the expiry of a period of 10 (ten) years reckoned from the date of such exclusion; provided, however, that the Board may reduce this period by up to 5 (five) years in any case at their discretion.
- 20.14 Hearings shall be conducted at a venue determined by the designated officer and shall be open to the public, unless exceptional circumstances exist which warrant such hearings being held in camera.

21 Record and publication of findings and decisions

- 21.1 All findings and decisions of the Professional Conduct Committee and the Disciplinary Committee shall take effect when made and shall be reported to the Board, which shall cause the same to be duly recorded, provided that where the matter has been referred to the Disciplinary Committee at the request of the accused in terms of By-law 19.3.10, any penalty which may have been imposed by the Professional Conduct Committee shall not take effect until the Disciplinary Committee has dealt with the matter.
- 21.2 Where the Professional Conduct Committee or the Disciplinary Committee has imposed a penalty on an accused, the relevant committee shall be entitled to direct that there be publication of the name of the accused, and if the committee so directs, also the name of his or her firm, a brief description of the offence and the penalty imposed, in such manner and to such persons as the committee shall decide, provided that the committee shall not be entitled to direct that publication be made without first advising the accused thereof and giving him or her an opportunity of being heard on the question before the committee.

21.3 Where the Professional Conduct Committee or the Disciplinary Committee has found an accused not guilty of the complaint, no publication of that fact may take place unless the accused has requested the relevant committee to direct that publication should take place. If the accused does so request that publication should take place, then the relevant committee shall direct (unless it is of the view that there are exceptional circumstances which would justify its not so directing) that there be publication, in such manner and to such persons as that committee shall decide, of the name of the accused, a brief description of the alleged offence and the finding of the relevant committee. The committee may also, in its discretion, direct that the name of the firm of the accused be published.

22 Publicity of Disciplinary Complaints, Investigations, Actions and Proceedings

22.1 Notwithstanding anything contained in these By-Laws, the CEO may, at any time, make such public statements as he or she thinks fit concerning any matter relating to or connected with the Institute's performance of its disciplinary obligations; and may, at any time before an enquiry of the Professional Conduct Committee or Disciplinary Committee convenes, make a public statement concerning any complaint or investigation or action instituted against a Member, once a charge sheet or a draft charge sheet has been issued to an accused Member.

22.2 The authority to make statements in terms of By-Law 21.21 shall be subject to the following requirements which may be amended from time to time:

22.2.1 no public statement will name or otherwise identify a Member where such Member has not been issued with a charge sheet (final or in draft form) unless it is necessary or desirable in order to maintain public confidence in the Institute or its Members;

22.2.2 a Member who is the subject of a complaint or investigation or action will be named:

22.2.2.1 where the failure to name such Member would defeat the purpose for which the public statement is made; and

22.2.2.2 where the name of the Member is already a matter of public knowledge.

22.2.3 Prior to the issuing of the public statement by the CEO, the CEO shall provide not less than 48 (forty-eight) hours' notice of his or her intention to issue a public statement to the Member, which notice shall only be issued simultaneously with, or after the Member has been issued with the charge sheet or draft charge sheet.

22.2.4 For the avoidance of any doubt, the notice to issue a public statement referred to in By-Law 22.1 shall not be issued to the Member prior to the issuance of the charge sheet or draft charge sheet except only in instances where urgent action is required to be taken by the CEO to maintain public confidence in the profession, the Institute or the Members.

22.2.5 Subject to the provisions of By-Law 20.14, the CEO, with the assistance of the designated officer, shall cause to be published on the Institute's web-site, the details of future Disciplinary Committee hearings. Such details of future Disciplinary Committee hearings shall contain the following information:

22.2.5.1 the name of the Member and the membership number;

22.2.5.2 the case number;

22.2.5.3 a summary of the charges preferred against the Member (the complaint);

22.2.5.4 the date of the disciplinary hearing;

22.2.5.5 the time of the disciplinary hearing; and

22.2.5.6 the place where the disciplinary hearing will take place.

23 Power to make rules

The Board shall have power to make such rules (not inconsistent with the Constitution and By-laws) as it may consider necessary for the performance of the respective functions of the Professional Conduct Committee and the Disciplinary Committee.

24 Powers and duties of the Chief Executive Officer (CEO)

The powers and duties of the CEO in terms of the Constitution and By-laws may be delegated by him or her to an appropriate person in the secretariat.

25 Rules or Code of Professional Conduct

The Board shall have the power to prescribe, from time to time, rules or a code of professional conduct, applicable to Members, Associates and Trainee Accountants.

26 Amendment of By-laws

The Board may, from time to time, amend these By-laws as provided in the Constitution.

27 Winding up of the Institute

Upon a resolution to wind up the Institute having been passed in terms of the Constitution, the Board shall, by simple majority vote, appoint a liquidator or liquidators and may give such directions as to the method of winding up as they think fit, provided that any funds and/or assets remaining after the payment of the debts and expenses of the Institute and the costs of winding up shall be distributed to or amongst such kindred or related associations, bodies or institutions with objects similar to those of the Institute, including educational institutions (but excluding individual Members, Associates or Trainee Accountants or firms or companies controlled by Members, Associates or Trainee Accountants) as the Board shall decide, provided that such associations, bodies or institutions are themselves exempt from liability to pay income tax as a result of being so approved by the Commissioner for the South African Revenue Service.

28 Interpretation of By-laws

The headings and sub-headings shall not affect the interpretation of these By-laws.

PART B - APPLICABLE ONLY TO CHARTERED ACCOUNTANTS

29 Application for membership

29.1 Application for membership of the Institute shall be made to the Board in a form prescribed by the Board. Each applicant shall:

- 29.1.1 pay the entrance fee, if any, and the subscription for the current year as determined from time to time;
- 29.1.2 certify in the prescribed form that the information given by him or her therein is true and correct in every detail;
- 29.1.3 in the event of his or her admission, undertake to observe the provisions of the Constitution and the By-laws and rules framed thereunder from time to time in force; and
- 29.1.4 satisfy the Board in such manner as it may require that at the date of his or her application, he or she is qualified for admission under By-law 30, that he or she is a fit and proper person to be admitted to membership and is not less than 21 (twenty one) years of age.

29.2 If, prior to his or her application for membership, the applicant:

- 29.2.1 has been removed from an office of trust on account of misconduct; or
- 29.2.2 has been convicted anywhere in the world of theft, fraud, forgery or uttering a forged document or perjury, or of any offence of which dishonesty is an element, or any offence which in the opinion of the Board reflects adversely on the applicant's fitness to be a Member, and has been sentenced in respect thereof to imprisonment without the option of a fine, or to a fine of an amount to be determined by the Board from time to time,

that applicant will *prima facie* be deemed not to be a fit and proper person for admission to membership.

29.3 The Board may require an applicant for membership to provide the secretariat with the means to verify any information provided by the applicant in support of his or her application for membership, including his or her fingerprints or permission to have access to records relating to the applicant which are maintained by any state agency.

30 Qualification for admission to membership

Subject to the provisions of By-law 29, qualification for admission to the Institute shall be proof to the satisfaction of the Board of one of the following:

- 30.1 that the applicant has passed the examinations, and has the practical experience, prescribed by the Board; or
- 30.2 if the application is for admission as a Reciprocal Member, that the applicant is a member in good standing of a body of accountants recognised by the Board for this purpose and has passed the examinations prescribed by the Board for this purpose, if so required by the Board.

31 Cancellation of membership

31.1 The Board shall cancel the membership of any Member who subsequent to his or her admission to membership:

- 31.1.1 is removed from an office of trust on account of misconduct; or

- 31.1.2 is convicted anywhere in the world of theft, fraud, forgery or uttering a forged document or perjury, or an offence of which dishonesty is an element, or an offence which in the opinion of the Board reflects adversely on the fitness of the Member to remain a Member, and sentenced in respect thereof to imprisonment without the option of a fine, or to a fine of an amount to be determined by the Board from time to time.
- 31.2 The Disciplinary Committee may in its discretion order the cancellation of the membership of any Member whose estate is or has been provisionally or finally sequestrated or who has entered into an arrangement with his or her creditors subsequent to his or her admission to membership: provided, however, that before doing so, the Disciplinary Committee shall afford such Member an opportunity, within 21 (twenty one) days after being called upon by the Disciplinary Committee to do so, to satisfy the committee that there were exceptional circumstances relating to the sequestration or arrangement which would justify the committee's not exercising its discretion to order the cancellation of his or her membership.
- 31.3 For purposes of this By-Law the following shall not be considered to be exceptional circumstances:
- 31.3.1 the fact that a Member has been provisionally sequestrated and an application for the Member's final sequestration is pending at the time the matter is considered by the Disciplinary Committee; and
- 31.3.2 the fact that a Member has appealed against an order for his or her final sequestration, and the appeal is pending at the time the matter is considered by the Disciplinary Committee.
- 31.4 When the membership of a person is cancelled in terms of By-law 31.1 or 31.2 the Board shall remove his or her name from the register immediately, advising the Regional Councils of the action taken.
- 31.5 A person whose membership has been cancelled in terms of By-law 31.1 or 31.2 may apply for his or her re-admission as a Member after the expiry of a period of 10 (ten) years reckoned from the date of such cancellation, but the Board may, on the recommendation of the Disciplinary Committee, reduce this period in any particular case where it considers that it would be just and equitable to do so.
- 31.6 The Board shall report any cancellation of membership in terms of By-law 31.1 or 31.2 to Members and may report such cancellation to whomsoever else it considers appropriate, in whatever manner it considers appropriate: provided that in the case of the cancellation of membership in terms of By-law 31.2 it shall comply with any recommendation of the Disciplinary Committee.
- 31.7 The Board shall send a notice by electronic or physical mail to any Member who has not complied with the Institute's Continuing Professional Development Policy within a period of 4 (four) months from the date on which reporting that Member's compliance with the policy became due, reminding him or her that he or she is not in compliance.
- 31.8 Should the Member fail to comply with the policy within 6 (six) months from the date of the notice, he or she shall be referred to the Disciplinary Committee which may order the cancellation of the membership of the Member following the procedure set out in By-Law 31.9.
- 31.9 The Disciplinary Committee shall afford such Member an opportunity, within 21 (twenty one) days after being called upon by the Disciplinary Committee to do so, to make submissions to the Disciplinary Committee relating to his or her failure to comply with the requirements of the continuing Professional Development Policy.

- 31.10 Any Member whose membership has been cancelled in terms of By-Law 31.8 may apply for readmission as a Member after the expiry of the period at least equal to the period during which the Member failed to comply with the requirements of the Continuing Professional Development Policy.
- 31.11 Regional Councils shall be informed by the Board of any cessation of membership in terms of By-law 31.6.
- 31.12 The Board shall report any cancellation of membership in terms of By-law 31.6 to Members and may report such cancellation to whomsoever else it considers appropriate, in whatever manner it considers appropriate.

32 Fees and subscriptions

- 32.1 Each Member, other than Honorary Life Members or Long Service Members, shall pay an annual subscription at such time and of such amount and on such conditions as may from time to time be determined by the Board. The amount of the annual subscription in respect of any category of membership will be the amount applicable to that category on 1 January of the year in question, irrespective of any change in the category of membership during the year. Unless and until otherwise determined, the annual subscription shall be due on the first day of January in each year and shall be payable during that month.
- 32.2 Any Member admitted after 30 June in any year shall pay only one-half of the annual subscription for the year then current.
- 32.3 A person who at the time of his or her application for membership qualifies for international membership shall be placed on the international list.
- 32.4 On admission to the Institute an entrance fee shall be payable of such amount as may from time to time be determined by the Board.
- 32.5 The Board may in its discretion remit in whole or in part the subscription and/or entrance fee of a Member under special circumstances which in its opinion warrant such remission.
- 32.6 The Board may from time to time call upon Members, other than Honorary Life Members or Long Service Members, for payment of a contribution or contributions for the purpose of meeting expenses which it may incur in the interests or furtherance of the objects of the Institute, provided that in respect of each category of Member such contribution shall not exceed one-quarter of the subscription payable in any one financial year in respect of that financial year.
- 32.7 Any Member who is in arrears with his or her annual subscription may be required to pay such penalty as may be determined by the Board from time to time. The Board shall from time to time publish the penalties payable under this By-law.
- 32.8 Any Member who is in arrears with his or her annual subscription or any contribution or charge for a period of four months from the date when the same became due under these By-laws, shall be sent a registered letter (with a copy also being sent to that Member's e-mail address, if one has been provided) reminding him or her that he or she is in arrears. Should the Member fail to effect payment before the expiration of five months from the date when the amount became due under these By-laws, he or she shall, *ipso facto*, cease to be a Member, provided that –
- 32.8.1 he or she shall nevertheless be liable to pay the amount of such year's subscription and any other arrear subscriptions or other contributions or charges due by him or her to the Institute, and shall be liable otherwise as a Member; and

- 32.8.2 the Board shall have power in its discretion to suspend the operation of this By-law, either generally or in relation to a specific case, and to stipulate the conditions on which it will be suspended.
- 32.9 The Board may in its discretion reinstate any Member whose membership has ceased in terms of By-law 31.9 and may in such case dispense with a new application for membership or payment of an entrance fee but may impose a reinstatement fee of an amount to be determined by the Board from time to time.
- 32.10 Regional councils shall be informed by the Board of any cessation of membership or reinstatement in terms of By-laws 31.9 and 31.10.
- 32.11 The Board shall report any cancellation of membership in terms of By-law 31.9 to Members and may report shall cancellation to whomsoever else it considers appropriate, in whatever manner it considers appropriate.

33 Resignation and readmission

- 33.1 Any Member who has paid all his or her dues and subscriptions and is otherwise in good standing may resign his or her membership by sending to the Board written notice to that effect and such notice shall become effective immediately on acceptance thereof by the Board, provided always that:
- 33.1.1 if any complaint has been received or an enquiry is pending against such Member in respect of his or her professional conduct, or in respect of the sequestration of his or her estate, whether provisionally or finally, or his or her having entered into an agreement with his or her creditors, such resignation need not be accepted, but his or her membership may be suspended until such complaint or enquiry has been finally dealt with by the Board;
- 33.1.2 if no such complaint has been received and no enquiry is pending the resignation shall be accepted by the Board;
- 33.1.3 a Member whose membership has been suspended in terms of By-law 33.1 shall not enjoy the benefits of membership;
- 33.1.4 when the resignation is accepted, such acceptance may be qualified or endorsed through the CEO so as to record the finding of the Board in respect of such complaint or enquiry.
- 33.2 No resignation once tendered by any Member may be withdrawn without the consent of the Board first having been obtained. Any person who has resigned his or her membership shall be entitled to re-admission on proof to the Board that he or she complies with the provisions of By-law 29 at the date of his or her application for re-admission.
- 33.3 The Board shall report any resignation of membership in terms of this By-law to Members and may report such resignation to whomsoever else it considers appropriate, in whatever manner it considers appropriate.

34 Honorary Life Membership and Long Service Membership

- 34.1 The Board may, in special circumstances, recognise the meritorious service of a Member towards the Institute or the accountancy profession by electing such Member as an Honorary Life Member.
- 34.2 The Board may elect a Member as a Long Service Members when such Member has:
- 34.2.1 been a Chartered Accountant (SA) for an unbroken period of 40 (forty) years; or
- 34.2.2 attained the age of 65 (sixty five) years and has been a Chartered Accountant (SA) for an unbroken period of 25 (twenty five) years.

34.3 Honorary Life Members and Long Service Members shall remain as such at the pleasure of the Board and shall not be liable for any subscriptions to the Institute.

35 Punishable offences

35.1 The following acts and practices, whether of commission or of omission, upon the part of any person who is or was a Member at the time of the alleged acts or practices shall be offences and such Member or former Member found guilty thereof as provided in these By-laws shall be liable to the penalties prescribed in these By-laws: provided that the acts and practices so specified are not intended to be a complete list of acts and practices which may constitute improper conduct:

- 35.1.1 contravening any of the provisions of sections 44, 52, 53 or 54 of the Auditing Profession Act, 26 of 2005, or any amendment or replacement thereof, or contravening any rules or regulations created by IRBA from time to time under the power granted to it in terms of section 10 of the said Act, or any amendment or replacement thereof, or, in the case of a Member or former Member who is not registered with IRBA, conducting himself or herself in a manner which would amount to a contravention of the foregoing if he or she were so registered, or obtaining registration under section 37 of the said Act by fraudulent or irregular means;
- 35.1.2 conducting himself or herself with gross negligence in connection with any work performed by him or her in his or her profession or employment, including (without limitation) work or employment in connection with secretaryships, trusteeships, liquidations, judicial managements, executorships, administratorships or curatorship's, or any office of trust which he or she has undertaken or accepted;
- 35.1.3 certifying or reporting on any accounts, statements, reports or other documents, without taking reasonable steps to ensure the correctness of such certificate or report;
- 35.1.4 contravening any of the provisions of the Designation Act;
- 35.1.5 directly or indirectly paying a person, other than a Member in public practice or any person practising as an accountant or auditor outside the Republic, a commission, or giving such person monetary or other consideration, as remuneration for bringing the Member work, or for inducing other persons to give work to the Member;
- 35.1.6 accepting directly or indirectly any commission, brokerage or other remuneration in respect of professional or commercial business referred to others as an incident to his or her service to any client, except with the knowledge and consent of that client;
- 35.1.7 improperly obtaining or attempting to obtain work;
- 35.1.8 soliciting or advertising or canvassing in the Republic (or in any territory outside the Republic designated by the Board from time to time) in any manner not permitted by the Rules or Code of Professional Conduct prescribed by the Board from time to time;
- 35.1.9 wilfully refusing or failing to perform or conform with any of the provisions of these By-laws which it is his or her duty to perform or with which it is his or her duty to conform;
- 35.1.10 committing a breach of any rule or Code of Professional Conduct prescribed by the Board from time to time in terms of By-law 25 or, after having been previously warned by the Board or any committee appointed by it, continuing to commit a breach of such rules or Code of Professional Conduct;
- 35.1.11 unlawfully failing to account for, or unreasonably delaying an accounting for, any money or property received for or on behalf of a client or any other person when called upon to do so;

- 35.1.12 conducting himself or herself in a manner which, in the opinion of the Professional Conduct Committee or the Disciplinary Committee, is discreditable, dishonourable, dishonest, irregular or unworthy, or which is derogatory to the Institute, or tends to bring the profession of accountancy into disrepute;
 - 35.1.13 failing to comply with any regulation, By-law or Code of Conduct;
 - 35.1.14 seeking, either before or during the period of training of a Trainee Accountant, to impose any restraint whatever on the Trainee Accountant concerned, which will apply after the date of the termination of the training period, or threatening, or attempting to enforce, any such restraints after such date;
 - 35.1.15 directly or indirectly stipulating for or receiving from a Trainee Accountant who is or has been serving under a training contract, or from any other person, any payment, reward, compensation or consideration for agreeing to the cancellation of such training contract: provided that it shall not be deemed a breach of this By-law if a Member, or former Member requires to be or is reimbursed in respect of disbursements actually made by him or her to the Institute in connection with a training contract which is subsequently cancelled and of which disbursements he or she is able to produce proof to the satisfaction of the Institute;
 - 35.1.16 without reasonable cause failing to resign from a professional appointment when requested by the client to do so;
 - 35.1.17 failing to answer or deal with appropriately within a reasonable time any correspondence or other communication from the Institute or any other person which requires a reply or other response;
 - 35.1.18 failing to comply within a reasonable time with an order, requirement or request from the Institute;
 - 35.1.19 failing after demand to pay any subscription or any fee, levy or other charge payable to the Institute.
- 35.2 Improper conduct on the part of a Trainee Accountant shall include any conduct which would be improper had it been perpetrated by a Member or Associate.

BY-LAWS

PART C - APPLICABLE ONLY TO THE COLLEGE OF GENERAL ACCOUNTANTS

36 Application for associateship

Application for associateship of the Institute shall be made to the Board in a form prescribed by the Board. Each applicant shall:

- 36.1 pay the application fee, if any, and the subscription for the current year as determined from time to time;
- 36.2 certify in the prescribed form that the information given by him or her therein is true and correct in every detail;
- 36.3 in the event of his or her admission, undertake to observe the provisions of the Constitution and the By-laws and rules framed thereunder from time to time in force; and
- 36.4 satisfy the Board in such manner as it may require that at the date of his or her application, he or she is qualified for admission under By-law 37, that he or she is a fit and proper person to be admitted to associateship and is not less than 21 (twenty one) years of age
- 36.5 The provisions of By-Laws 29.21.2, 29.31.3 and 29.1.4 apply, with the necessary changes required by the context, to applications for associateship.

37 Qualification for admission to associateship

- 37.1 Subject to the provisions of By-law 36, qualification for admission to associateship of the Institute shall be proof to the satisfaction of the Board that the applicant has passed the examinations, and has the practical experience, prescribed by the Board.

38 Cancellation of associateship

- 38.1 The Board shall cancel the associateship of any Associate who subsequent to his or her admission to associateship:
 - 38.1.1 is removed from an office of trust on account of misconduct; or
 - 38.1.2 is convicted anywhere in the world of theft, fraud, forgery, or uttering a forged document or perjury or an offence of which dishonesty is an element, or an offence which in the opinion of the Board reflects adversely on the fitness of the Member to remain a Member, and sentenced in respect thereof to imprisonment without the option of a fine, or to a fine of an amount to be determined by the Board from time to time.
- 38.2 The Disciplinary Committee may in its discretion order the cancellation of the associateship of any Associate whose estate is provisionally or finally sequestrated, or who enters into an arrangement with his or her creditors subsequent to his or her admission to associateship, provided, however, that before doing so, the Disciplinary Committee shall afford such Associate an opportunity, within 21 (twenty one) days after being called upon by the Disciplinary Committee to do so, to satisfy the committee that there were exceptional circumstances relating to the sequestration or arrangement which would justify the committee's not exercising its discretion to order the cancellation of his or her associateship.
- 38.3 When the associateship of a person is cancelled in terms of By-law 38.1 or 38.2 the Board shall remove his or her name from the register immediately.

- 38.4 A person whose associateship has been cancelled in terms of By-law 38.1 or 38.2 may apply for his or her re-admission as an Associate after the expiry of a period of 10 (ten) years reckoned from the date of such cancellation, provided however that the Board may on the recommendation of the Disciplinary Committee, reduce this period in any particular case where it considers that it would be just and equitable to do so.
- 38.5 The Board shall report any cancellation of associateship in terms of By-law 38.1 or 38.2 to Members and Associates and may report such cancellation to whomsoever else it considers appropriate, in whatever manner it considers appropriate: provided that in the case of the cancellation of associateship in terms of By-law 38.2 it shall comply with any recommendation of the Disciplinary Committee.
- 38.6 The provisions of By-Law 31.7, 31.8, 31.9 and 31.10, apply, with the necessary changes required by the context, to an Associate who has not complied with the Institute's Continuing Professional Development Policy.
- 38.7 Regional Councils shall be informed by the Board of any cessation of associateship in terms of By-law 38.65.
- 38.8 The Board shall report any cancellation of associateship in terms of By-law 38.65 to Associates and may report such cancellation to whomsoever else it considers appropriate, in whatever manner it considers appropriate.

39 Fees and subscriptions

- 39.1 Each Associate of the Institute shall pay an annual subscription at such time and of such amount and on such conditions as may from time to time be determined by the Board. The amount of the annual subscription in respect of any category of associateship will be the amount applicable to that category on 1 January of the year in question, irrespective of any change in the category of associateship during the year. Unless and until otherwise determined, the annual subscription shall be due on the first day of January in each year and shall be payable during that month.
- 39.2 Any Associate admitted after 30 June in any year shall pay only one-half of the annual subscription for the year then current.
- 39.3 On admission to the Institute as an Associate an entrance fee shall be payable of such amount as may from time to time be determined by the Board.
- 39.4 The Board may in its discretion remit in whole or in part the subscription and/or application fee of an Associate under special circumstances which in its opinion warrant such remission.
- 39.5 The Board may from time to time call upon Associates for payment of a contribution or contributions for the purpose of meeting expenses which it may incur in the interests or furtherance of the objects of the Institute, provided that such contribution shall not in any one financial year exceed one-quarter of the subscription payable in respect of that financial year.
- 39.6 Any Associate who is in arrears with his or her annual subscription may be required to pay such penalty as may be determined by the Board from time to time. The Board shall from time to time publish the penalties payable under this By-law.

- 39.7 Any Associate who is in arrears with his or her annual subscription or any contribution or charge for a period of 4 (four) months from the date when the same became due under these By-laws shall be sent a registered letter (with a copy also being sent to the Associate's e-mail address, if one has been provided) reminding him or her that he or she is in arrears. Should the Associate fail to effect payment before the expiration of 5 (five) months from the date when the amount became due under these By-laws, he or she shall, *ipso facto*, cease to be an Associate, provided that -
- 39.7.1 he or she shall nevertheless be liable to pay the amount of such year's subscription and any other arrear subscriptions or other contributions or charges due by him or her to the Institute and shall be liable otherwise as an Associate;
- 39.7.2 the Board shall have power in its discretion to suspend the operation of this By-law, either generally or in relation to a specific case, and to stipulate the conditions on which it will be suspended.
- 39.8 The Board may in its discretion reinstate any Associate whose associateship has ceased in terms of By-law 39.7 and may in such case dispense with a new application for associateship or payment of an entrance fee, but may impose a reinstatement fee of an amount to be determined by the Board from time to time.
- 39.9 The Board shall report any cancellation of associateship in terms of By-law 39.7 to Associates and may report such cancellation to whomsoever else it considers appropriate, in whatever manner it considers appropriate.

40 Resignation and re-admission

- 40.1 Any Associate who has paid all his or her dues and subscriptions and is otherwise in good standing may resign his or her associateship by sending to the Board written notice to that effect and such notice shall become effective immediately on acceptance thereof by the Board: provided always that:
- 40.1.1 if any complaint has been received or an enquiry is pending against such Associate in respect of his or her professional conduct, or in respect of the sequestration of his or her estate, whether provisionally or finally, or his or her having entered into an agreement with his or her creditors, such resignation need not be accepted but his or her associateship may be suspended until such complaint or enquiry has been finally dealt with by the Board;
- 40.1.2 if no such complaint has been received and no enquiry is pending the resignation shall be accepted by the Board;
- 40.1.3 an Associate whose associateship has been suspended in terms of By-law 40.1 shall not enjoy the benefits of associateship;
- 40.1.4 when the resignation is accepted, such acceptance may be qualified or endorsed through the CEO so as to record the finding of the Board in respect of such complaint or enquiry.
- 40.2 No resignation once tendered by any Associate may be withdrawn without the consent of the Board first having been obtained. Any person who has resigned his or her associateship shall be entitled to re-admission on proof to the Board that he or she complies with the provisions of By-law 37 at the date of his or her application for re-admission.
- 40.3 The Board shall report any resignation of associateship in terms of this By-law to Associates and may report such resignation to whomsoever else it considers appropriate, in whatever manner it considers appropriate.

41 Honorary Life Associateship and Long Service Associateship

- 41.1 The Board may, in special circumstances, recognise the meritorious service of an Associate towards the Institute, or the accountancy profession, by electing such Associate as an Honorary Life Associate.
- 41.2 The Board may elect an Associate as a Long Service Associate when such Associate has:
- 41.2.1 been an Associate for an unbroken period of 40 (forty) years; or
 - 41.2.2 attained the age of 65 (sixty five) years, provided that he or she has been an Associate for an unbroken period of 25 (twenty five) years.
- 41.3 Honorary Life Associates and Long Service Associates shall remain as such at the pleasure of the Board and shall not be liable for any subscriptions to the Institute.

42 Punishable offences

The following acts and practices, whether of commission or of omission, upon the part of any person who is or was an Associate of the Institute at the time of the alleged acts or practices shall be offences and such Associate or former Associate found guilty thereof as provided in these By-laws shall be liable to the penalties prescribed in these By-laws, provided that the acts and practices so specified are not intended to be a complete list of acts and practices which may constitute improper conduct:

- 42.1 conducting himself or herself with gross negligence in connection with any work performed by him or her in his or her profession or employment, including, without limitation, work or employment in connection with secretaryships, trusteeships, liquidations, judicial managements, executorships, administratorships or curatorships, or any office of trust which he or she has undertaken or accepted;
- 42.2 contravening any of the provisions of the Designation Act;
- 42.3 directly or indirectly paying a person, other than a Member or Associate in public practice, or any person practicing as an accountant or auditor outside the Republic, a commission, or giving such person monetary or other consideration, as remuneration for bringing the Member or Associate work, or for inducing other persons to give work to the Member or Associate;
- 42.4 accepting directly or indirectly any commission, brokerage or other remuneration in respect of professional or commercial business referred to others as an incident to his or her service to any client, except with the knowledge and consent of that client;
- 42.5 improperly obtaining or attempting to obtain work;
- 42.6 soliciting or advertising or canvassing in the Republic (or in any territory outside the Republic designated by the Board from time to time) in any manner not permitted by the Rules or Code of Professional Conduct prescribed by the Board from time to time;
- 42.7 wilfully refusing or failing to perform or conform with any of the provisions of these By-laws which it is his or her duty to perform or with which it is his or her duty to conform;
- 42.8 committing a breach of any rule or Code of Professional Conduct prescribed by the Board from time to time in terms of By-law 25 or, after having been previously warned by the Board or any committee appointed by it, continuing to commit a breach of such rules or Code of Professional Conduct;
- 42.9 unlawfully failing to account for, or unreasonably delaying an accounting for, any money or property received for or on behalf of a client or any other person when called upon to do so;

- 42.10 conducting himself or herself in a manner which, in the opinion of the professional conduct committee or the Disciplinary Committee., is discreditable, dishonourable, dishonest, irregular or unworthy, or which is derogatory to the Institute, or tends to bring the profession of accountancy into disrepute.
- 42.11 seeking, either before or during the period of training of a Trainee Accountant, to impose any restraint whatever on the Trainee Accountant concerned which will apply after the date of the termination of the training period, or threatening or attempting to enforce any such restraints after such date;
- 42.12 directly or indirectly stipulating or receiving from a Trainee Accountant who is or has been serving under a training contract, or from any other person, any payment, reward, compensation, or consideration for agreeing to the cancellation of such training contract, provided that it shall not be deemed a breach of this By-law if an Associate or former Associate requires to be, or is reimbursed in respect of disbursements actually made by him or her to the Institute in connection with a training contract which is subsequently cancelled and of which disbursements he or she is able to produce proof to the satisfaction of the Institute;
- 42.13 without reasonable cause failing to resign from a professional appointment when requested by the client to do so;
- 42.14 failing to answer or deal with appropriately within a reasonable time, any correspondence or other communication from the Institute or any other person which requires a reply or other response;
- 42.15 failing to comply within a reasonable time with an order, requirement, or request from the Institute;
- 42.16 failing after demand to pay any subscription or any fee, levy or other charge payable to the Institute;
- 42.17 Improper conduct on the part of a Trainee Accountant shall include any conduct which would be improper had it been perpetrated by a Member or Associate.

APPENDIX 1 TO THE BY-LAWS: BOARD CHARTER

1 INTRODUCTION

- 1.1 The Board (“the Board”) of The South African Institute of Chartered Accountants (“the Institute”) has prepared this Charter (“the Board Charter”) in accordance with the principles contained in the King IV Report on Corporate Governance™ for South Africa, (“King IV™”). The Board Charter is subject to the provisions of the Constitution of the Institute (“the Constitution”) and the By-laws of the Institute (“the By-laws”).
- 1.2 The Board Charter does not replace or amend the Constitution or any part of the By-laws in any way whatsoever. In the event of a conflict between the Constitution and the By-laws, the Constitution shall prevail.
- 1.3 Words and phrases defined in the Constitution and the By-laws will have the same meanings for purposes of the Board Charter, unless the context indicates otherwise.

2 PURPOSE

The purpose of this Board Charter is to set out:

- 2.1 the roles, responsibilities and powers of: (i) the Board; (ii) the individual members of the Board (“Board Members”); and (iii) the officials and executives of the Institute;
- 2.2 the powers delegated to various Board committees of the Institute; and
- 2.3 the policies and practices of the Board in respect of matters such as corporate governance, declarations and conflicts of interest, meeting procedures, composition of the Board, and the nomination, appointment, induction, training and evaluation of Board Members and members of Board committees.

3 COMPOSITION OF THE BOARD, GENDER AND RACE DIVERSITY POLICY, APPOINTMENT, ROTATION AND INDEPENDENCE

- 3.1 The Board must at all times be suitably constituted and shall do everything necessary to appropriately fulfil its role and responsibilities.
- 3.2 The Board may determine the number of Board Members at any time, subject to the proviso that:
 - (i) the minimum number of Board Members is 8 (eight);
 - (ii) the maximum number of Board Members is 12 (twelve); and
 - (iii) the composition of the Board must be diverse and must have an appropriate mix of race, gender and diversity.
- 3.3 Guidelines for the preferred attributes, knowledge and skills of Board Members are set out in Annexure A which together with diversity requirements, shall form the basis of Board Member selection criteria.
- 3.4 The Board shall comprise a balance of executive and non-executive Board Members, with a majority of the Board Members being independent. Subject to the requirement that:
 - (i) the majority of Board Members shall be Chartered Accountants CA(SA); and
 - (ii) a maximum of 3 (three) and not less than 2 (two) of the non-executive Board Members must be non-Chartered Accountants and shall be independent.
- 3.5 The President of the Council or his/her nominee shall be an *ex officio* Board Member.

- 3.6 In reviewing independence of a Board Member, the definitions of King IV™ must be considered. In particular, a Board Member may be determined to be independent if, when judged from the perspective of a reasonable and informed third party, that Board Member has no interest, position, association or relationship which is likely to unduly influence or cause bias in decision-making in the best interests of the Institute; provided that membership of the Institute will not automatically result in a presumption of a lack of independence.
- 3.7 After each annual general meeting (“AGM”) the Board must elect a chairperson of the Board (“Chairperson”) and a lead independent non-executive Board Member (“Lead Independent Board Member”).
- 3.8 The Board must appoint a CEO
- 3.9 The CEO and his/her nominated senior executive will serve as *ex officio* members of the Board.
- 3.10 The Board is empowered to fill casual vacancies on the Board up until the next AGM.
- 3.11 Only individuals with sound ethical reputations and business or professional expertise and who have sufficient time to effectively fulfil their role as a Board Member, will be considered for appointment to the Board.
- 3.12 Individuals with material enduring conflicts of interest with the Institute or any of its directly or indirectly associated entities that cannot be reasonably managed by the normal methods of declaration of interests and temporary recusal from meetings will not be considered for appointment.
- 3.13 Board Members must be nominated for election or appointment through a formal process and the Nomination and Governance Committee must assist with the process of identifying suitable candidates to be discussed with the Council and proposed to the Board and the members of the Institute (the “Members”). The Nomination and Governance Committee must also assist with the review of the effectiveness of the Board, including but not necessarily limited to, its composition.
- 3.14 Race, gender, disability and diversity, as well as relevant skills and expertise and knowledge of the core skills of the profession, enhance the composition of a truly diverse Board and assist in achieving a sustainable competitive advantage for the profession. It is the policy of the Board that all facets of diversity will be considered in determining the optimal composition of the Board which, where possible, will be balanced appropriately. All appointments to the Board are made on merit, having due regard for the benefits of diversity, including gender, race and disability, which the Board as a whole requires to be effective.
- 3.15 The Nomination and Governance Committee may determine measurable objectives for achieving diversity on the Board that are appropriate for the Institute, and may recommend them to the Board for adoption.
- 3.16 The achievement of the objectives referred to in paragraph 3.15 above will be disclosed in the integrated report of the Institute.
- 3.17 Board Members shall be elected by the members of the Institute at an AGM. Board Members appointed by the Board to fill a casual vacancy, must retire at the first subsequent AGM unless their appointment is confirmed at such Members’ meeting. One-third of Board Members (excluding the *ex officio* members) must retire by rotation at each AGM provided that each such Board Member has served as a Board Member for at least 1 (one) year. The Board Members who retire will be those Board Members who have held office for the longest period of time since their last election. Should there be more Board Members than necessary who have been on the Board for an equal length of time, those to retire shall be chosen by lots.
- 3.18 Retiring Board Members may be re-elected provided that they are eligible. If at the date of the AGM, any Board Member has held office for a period in excess of 3 (three) years since his/her last election, he/she shall retire at such AGM, either as one of the Board Members subject to rotation or in addition thereto.

- 3.19 No Board Member shall serve for a period exceeding 6 (six) years. Should he/she be appointed to fill a vacancy or appointed at a meeting other than an AGM, then the 6 (six) years shall be determined from the date of the first AGM subsequent to their appointment.
- 3.20 A Board Member who has completed a 6 (six) year term, shall be eligible for re-election to the Board after a period of 3 (three) years subsequent to their last service for a term as defined in 3.19.
- 3.21 Executive Board Members are required to retire from the Board when they cease to hold executive office for any reason. Executive Board Members must retire as members of management at the age of 65 (sixty five) unless the Board agrees to a later retirement age in any particular case in the interests of the Institute. Such extensions will:
- (i) only be agreed to in very exceptional circumstances; and
 - (ii) not be for long periods of time.
- 3.22 This Board Charter is considered an integral part of the conditions of appointment of all Board Members and should be referred to in letters of appointment.

4 DEVELOPMENT AND INDUCTION OF BOARD MEMBERS

- 4.1 A formal induction program is established for new Board Members, which includes the opportunity for new Board Members to understand key strategies and operations before their first meeting.
- 4.2 Training will be provided to individual Board Members on request and Board Members may be developed through mentorship and professional development programmes.
- 4.3 Continuing professional development programmes are implemented which ensure that Board Members are continually apprised of new developments and changes in the profession's environment.

5 ROLES AND RESPONSIBILITIES

5.1 Member meetings

- 5.1.1 The matters reserved for decision-making by the Members are set out in the Constitution. A matter reserved for decision-making by the Members must be considered by the Board before it is recommended to the Members for decision-making. The Board must, where appropriate, provide the Members with its recommendation and relevant material information in respect of resolutions proposed for Member approval.
- 5.1.2 Information must be accurately disclosed to Members and potential members in such a way that they are apprised of all material aspects of the business of the Institute.
- 5.1.3 Board Members and executive management are expected to attend Member meetings. The Chairperson of each Board committee is expected to be available at the AGM to respond to relevant questions or queries.

5.2 The Board: General Powers

- 5.2.1 The role, functions and powers of the Board, the Board Members and Board committees are determined by the relevant laws of the Republic of South Africa ("Applicable Laws"), the Constitution, best practice and decisions and policies of the Board.
- 5.2.2 The Board is responsible for leading the Institute, setting its strategic direction and ensuring that policies, plans and a funding model are in place to achieve the purpose, objects and strategy of the Institute. In governing or directing the affairs of the Institute, the Board has the authority to exercise all powers and perform any functions except to the extent that the Constitution provides otherwise.

- 5.2.3 The Board accordingly has the power to make any decision in respect of the Institute which has not been specifically reserved for decision-making by the Members.
- 5.2.4 The Board has the power to delegate specific powers and functions to Board and other committees and the CEO as detailed in approved committee terms of reference and the Delegation of Authority Document.
- 5.2.5 The Board must exercise its powers responsibly:
- 5.2.6 in the best interests of the Institute with due regard to the interest of the Members; and
- 5.2.7 in compliance with the requirements of the law and principles of sound corporate governance.

5.3 The Roles and Responsibilities of the Board

- 5.3.1 The Board must:
 - 5.3.1.1 retain full and effective control over the Institute and its tangible and intangible assets, bringing independent, informed and effective judgment to bear on material decisions;
 - 5.3.1.2 provide effective and ethical leadership in the best interests of the Institute;
 - 5.3.1.3 act as the focal point for, and custodian of, corporate governance by managing its relationship with management, the members and other stakeholders of the Institute along sound corporate governance principles;
 - 5.3.1.4 promote and monitor transformation of the profession;
 - 5.3.1.5 ensure that relevant stakeholders, including Members, are updated on the implementation of the strategy and other significant issues;
 - 5.3.1.6 appreciate that strategy, risk, performance and sustainability are inseparable and to give effect to this by:
 - 5.3.1.6.1 contributing to and approving the strategy of the Institute, including its short, medium and long-term strategic direction;
 - 5.3.1.6.2 satisfying itself that the strategy and business plans of the Institute do not give rise to risks that have not been thoroughly assessed by management;
 - 5.3.1.6.3 identifying key performance and risk areas, and ensure that management has adequate risk mitigation strategies in place;
 - 5.3.1.6.4 ensuring that the strategy will result in sustainable outcomes and value creation and achieve the purpose and objects of the Institute; and
 - 5.3.1.6.5 considering sustainability as a business opportunity that guides strategy formulation;
 - 5.3.1.7 oversee the disciplinary process with regard to Members, associates and trainees of the Institute by:
 - 5.3.1.7.1 ensuring that the Institute has adequate resources for investigative and disciplinary processes;
 - 5.3.1.7.2 appointing an independent disciplinary panel from which the Professional Conduct Committee and Disciplinary Committee are constituted;
 - 5.3.1.7.3 satisfying itself that the approved disciplinary process is followed by the disciplinary committees;

- 5.3.1.7.4 ensuring that the impact of the approved disciplinary process meets, and continues to meet, the expectations of the profession and its stakeholders; and
- 5.3.1.7.5 accounting to Members and society on the outcomes of disciplinary proceedings.
- 5.3.1.8 Ensure that the Institute is and is seen to be a responsible corporate citizen by having regard to not only the financial aspects of the business of the Institute but also the impact that business operations have on the environment and the society within which it operates;
- 5.3.1.9 Determine the Institute's values and ensure that the Institute's ethics are managed effectively;
- 5.3.1.10 Ensure the governance of risk with the support of the Audit and Risk Committee;
- 5.3.1.11 Exercise ongoing oversight of information and technology governance, delegated to the Digitisation Transformation Governance Committee (DTGC) (which shall include the Chief Information Officer) which shall report relevant risks and other material matters to the Board and its committees;
- 5.3.1.12 Monitor the Institute's compliance with applicable laws and non-binding rules and standards with reference not only to the obligations they create but to the rights and protections they afford and ensure that the Institute is governed effectively in accordance with corporate governance best practices;
- 5.3.1.13 Ensure that there is an effective risk-based internal audit function;
- 5.3.1.14 Ensure that members are equitably treated, and ensure that disputes are resolved as effectively, efficiently and expeditiously as possible;
- 5.3.1.15 Ensure that the Institute has appropriately constituted and effective Board committees as required by the Constitution and such best corporate governance practices as the Institute chooses to adopt and ensure that these committees discharge their duties appropriately;
- 5.3.1.16 monitor the activities of trusts, non-profit organisations and social responsibility projects established by the Institute, as determined in the Delegation of Authority;
- 5.3.1.17 govern the disclosure control processes of the Institute including ensuring the integrity of the integrated report and reporting on the effectiveness of the system of internal controls;
- 5.3.1.18 Table the following at each AGM:
 - 5.3.1.18.1 the annual financial statements and integrated report;
 - 5.3.1.18.2 the reports by the Chairperson and the CEO;
 - 5.3.1.18.3 the report by the external auditors;
 - 5.3.1.18.4 the recommendation for the appointment of the external auditors;
 - 5.3.1.18.5 recommendations for the election and re-election of Board Members;
 - 5.3.1.18.6 the fees for Board Members and Board committee members for the ensuing year;
 - 5.3.1.18.7 the Remuneration Policy for approval (non-binding vote): and

5.3.1.18.8 the report on implementation of the Remuneration Policy for approval (non-binding vote).

5.3.1.19 review and approve appropriate amendments to the By-laws.

5.4 The Chairperson

5.4.1 The Chairperson is elected by the Board after each AGM and is an independent non-executive member of the Board with no executive or management responsibilities. The Chairperson provides leadership at Board level, represents the Board to the Members and is responsible for ensuring the integrity and effectiveness of the Board and its committees. The Chairperson is also the Chairperson of the meetings of members.

5.4.2 In particular, the Chairperson must:

- 5.4.2.1 ensure effective operation of the Board and its committees in conformity with the highest standards of corporate governance by setting an ethical tone for the Board and the Institute and providing overall leadership to the Board while being cognizant of the individual duties of the Board Members;
- 5.4.2.2 ensure effective communication with Council, Members, regulators, governments and other relevant constituencies and that the views of these groups are understood by the Board;
- 5.4.2.3 oversee the formal succession plan for the Board, the CEO and the Chief Financial Officer (“CFO”) or the person responsible for that function;
- 5.4.2.4 be accessible to the CEO to support the CEO in the development of strategy and to provide counsel and advice in respect of all material matters affecting the Institute and to consult with the other Board Members promptly when appropriate;
- 5.4.2.5 be involved, as Chairperson of the Nomination and Governance Committee, in the identification and selection of Board Members;
- 5.4.2.6 play an active part in the formulation (in consultation with the CEO and the secretary of the Board (“the Secretary”)) of an annual work plan for the Board and the setting of the agenda for Board meetings, ensuring that material matters in respect of the business and governance of the Institute are tabled at Board meetings;
- 5.4.2.7 preside over Board meetings, setting the style and tone of Board discussions to promote constructive debate and effective decision-making;
- 5.4.2.8 manage conflicts of interest and act as a link between the Board and management, particularly the Board and the CEO;
- 5.4.2.9 ensure that Board Members play a full and constructive role in the affairs of the Institute and take a leading role in the process for removing non-performing or unsuitable or over-committed members from the Board;
- 5.4.2.10 oversee the evaluation of the Board’s effectiveness and performance, ensuring that formal performance evaluations of the Board, Board committees and individual Board Members are conducted at least every 2 (two) years and that every alternate year, opportunity is provided for reflection and discussion by the Board regarding its performance as a whole, and the performance of: (i) its committees, (ii) the Chairperson; and (iii) the individual Board Members;
- 5.4.2.11 ensure that all Board committees are properly established, composed and operated;
- 5.4.2.12 in consultation with the Board, determine the performance objectives of the CEO;

- 5.4.2.13 establish a harmonious and open relationship with the CEO;
- 5.4.2.14 ensure that good relations are maintained with the Members and strategic stakeholders; and
- 5.4.2.15 attend to administrative acts in respect of the CEO as required,
- 5.4.3 The Chairperson:
 - 5.4.3.1 may not be a member of the Audit and Risk Committee;
 - 5.4.3.2 may be a member but not chairperson of the Human Resources and Remuneration Committee;
 - 5.4.3.3 must be a member and chairperson of the Nomination and Governance Committee;
 - 5.4.3.4 may be a member but not the chairperson of the Social, Ethics and Transformation Committee;
 - 5.4.3.5 may be a member but not the chairperson of the Digital Transformation Governance Committee; and
 - 5.4.3.6 may not be a member of Council.
- 5.4.4 The evaluation of the Chairperson's performance will be led by the Lead Independent Board Member or any other independent non-executive Board Member appointed by the Board at least every 2 (two) years.
- 5.4.5 The evaluation should take into account the Chairperson's performance against formal criteria and other non-Institute responsibilities to determine whether the Chairperson has the capacity to discharge his/her duties.

5.5 **Lead Independent Board Member**

- 5.5.1 The Board must appoint a Lead Independent Board Member who is a non-executive member of the Board with no executive or management responsibilities and is not a member of Council to assist the Chairperson in the execution of his/her duties and such other functions as the Board may wish to delegate to the Lead Independent Board Member. The Lead Independent Board Member's appointment shall be reviewed and confirmed annually after the AGM.
- 5.5.2 Where the Chairperson is absent or unable to perform his/her duties or where the independence of the Chairperson is questionable or impaired, the Lead Independent Board Member must serve in this capacity for as long as the circumstances that caused the Chairperson's absence, inability of conflict exist.
- 5.5.3 The Lead Independent Board Member must:
 - 5.5.3.1 preside at all meetings of the Board at which the Chairperson is not present or where the Chairperson is conflicted, including any sessions of the independent Board Members;
 - 5.5.3.2 assist the Board in dealing with the management of any actual or perceived conflicts of interest that may arise on the part of the Chairperson;
 - 5.5.3.3 call additional meetings of the non-executive Board Members, if required;
 - 5.5.3.4 facilitate open discussions during Board meetings, any executive sessions and outside of Board meetings;
 - 5.5.3.5 perform all such functions that cannot be performed by the Chairperson due to his/her absence or the existence of a conflict of interest;
 - 5.5.3.6 perform any duties as delegated by the Board from time to time;

- 5.5.3.7 Serve as the principal liaison between the non-executive Board Members and the Chairperson without inhibiting direct communication between them;
- 5.5.3.8 communicate to the Chairperson and management, where necessary: (i) any decisions reached; or (ii) suggestions, views or concerns expressed, by the non-executive Board Members in executive sessions or outside of Board meetings; and
- 5.5.3.9 if appropriate, and in coordination with the Chairperson and management, be available for consultation and direct communication with Members.

5.6 Chief Executive Officer (CEO)

- 5.6.1 The CEO is delegated with authority from, and accountable to the Board for the development and successful implementation of the Group strategy and the overall management and performance of the Institute to achieve its purpose and goals.
- 5.6.2 The CEO is supported by his/her senior management committees as agreed with the Board.
- 5.6.3 The CEO:
 - 5.6.3.1 must provide executive leadership;
 - 5.6.3.2 must inform the Board of any material matter which may have a significant impact on the financial results or substantially impact the reputation of the Institute;
 - 5.6.3.3 may sub-delegate any of the powers delegated to him/her; and
 - 5.6.3.4 may exercise power and authority on, or sub-delegate, any matter necessary for the effective management and performance of the Institute that is not specifically reserved for the Board or the Members.
- 5.6.4 The CEO's role is formalised and his/her performance is evaluated by the Chairperson with the support of the Nominations and Governance Committee against specific performance criteria.
- 5.6.5 The CEO may not be a member of:
 - (i) the Human Resources and Remuneration Committee;
 - (ii) the Audit and Risk Committee;
 - (iii) the Nomination and Governance Committee; or
 - (iv) the Digital Transformation Governance Committee,
 but may attend meetings of such committees by invitation only and must recuse himself/herself when conflicts arise, particularly when his/her performance and remuneration are discussed.
- 5.6.6 The Board should ensure that a succession plan is in place for the CEO.

5.7 The rights and duties of the Board and its members

- 5.7.1 The Board must exercise its functions collectively and no single Board Member has any authority to perform any act on behalf of the Institute unless specifically authorised or requested by the Board. Board Members are jointly accountable for the decisions of the Board.
- 5.7.2 Board Members have a fiduciary obligation to:
 - 5.7.2.1 act in the best interests of the Institute;
 - 5.7.2.2 act with due care, diligence and skill in discharging their duties as Board Members;

- 5.7.2.3 declare and avoid conflicts of interest; and
 - 5.7.2.4 account to the Institute for any advantages gained in discharging their duties on behalf of the Institute.
- 5.7.3 Board Members may, at any time, request a meeting with the Chairperson and must individually meet with the Chairperson on an annual basis to discuss the Board and committee matters. The Chairperson must invite non-executive Board Members from time to time to indicate whether they have a need to meet as a group without him/her and/or the executive management.

5.8 **Secretary**

- 5.8.1 The Board should be assisted by a competent, suitably qualified and experienced Secretary. The decision to appoint or remove the Secretary is a Board decision.
- 5.8.2 The Secretary must provide dedicated support to the Board and is a central source of guidance and support to the Board and within the Institute on matters of good governance and changes in legislation. The Secretary must consult regularly with Board Members to ensure that they receive all necessary information.
- 5.8.3 As gatekeeper of good governance, the Secretary must maintain an arm's length relationship with the Board and its members as far as is reasonably possible.
- 5.8.4 The Secretary is not a member of the Board and has a direct channel of communication to the Chairperson and the Lead Independent Board Member.
- 5.8.5 The Board must consider and satisfy itself, on an annual basis, of the competence, qualifications and experience of the Secretary and report thereon in the integrated report.
- 5.8.6 The Secretary is accountable to the Board and must:
 - 5.8.6.1 ensure that Board procedures are followed and reviewed regularly;
 - 5.8.6.2 ensure that the applicable rules and regulations for the conduct of the affairs of the Board as directed by the provisions of the Constitution and the Board Charter are complied with;
 - 5.8.6.3 maintain statutory records in accordance with the Applicable Laws;
 - 5.8.6.4 provide the Board as a whole, as well as individual Board Members, with guidance as to how their responsibilities should be properly discharged in the best interest of the Institute and good governance. The Secretary is authorised to obtain external expert advice, at the Institute's expense, should he/she deem it necessary in order to effectively fulfil this responsibility;
 - 5.8.6.5 keep abreast of, and inform the Board of current corporate governance thinking and practice;
 - 5.8.6.6 assist with the appointment of Board Members;
 - 5.8.6.7 advise the Board on all legal and regulatory matters, including legal frameworks and processes;
 - 5.8.6.8 provide advice with respect to all regulatory filing and public disclosure relating to the Institutes governance processes;
 - 5.8.6.9 assist with Board Member induction and training programmes;
 - 5.8.6.10 ensure that the Board Charter and the charters of Board committees are reviewed annually or more regularly if required and are kept up to date;
 - 5.8.6.11 prepare and circulate Board and Board committee papers and ensure the preparation and circulation of minutes of Board and committee meetings;

- 5.8.6.12 elicit responses, input, feedback for Board and Board committee meetings;
- 5.8.6.13 assist with drafting annual Board and Board committee work plans;
- 5.8.6.14 assist with the evaluation of the Board, its committees and individual Board Members; and
- 5.8.6.15 ensure compliance with the Constitution, the By-laws and Applicable Laws.

6 DELEGATION AND BOARD COMMITTEES

- 6.1 Without detracting in any way from the general powers of the Board, the Board may from time to time determine, in terms of the governance framework and delegated authorities, which matters:
 - 6.1.1 are reserved for final decision-making by the Board or Board committees; or
 - 6.1.2 require the Board's or Board committees' consent before a final decision is made.
- 6.2 In terms of the Constitution, the Board is empowered to constitute Board and other committees and to delegate powers to such committees.
- 6.3 The Board delegates certain functions without abdicating its own responsibilities.
- 6.4 The Board delegates authority, not expressly reserved for the Board and its committees, to the CEO, who shall be accountable to the Board, subject to the obligation to report all material matters to the Board.
- 6.5 The CEO is entitled to delegate his/her duties, powers and authority to such members of management as is appropriate. Delegating authority to management does not discharge the CEO of his/her duties and responsibilities.
- 6.6 There shall be transparency and full disclosure by the Board committees to the Board, except where the Board has mandated the committee otherwise.
- 6.7 Delegation is formal and requires:
 - 6.7.1 that formal written charters are established and approved by the Board for each committee of the Board which outline the terms of reference of such committee;
 - 6.7.2 that the committees' charters are reviewed once a year;
 - 6.7.3 that the committees are appropriately constituted with due regard to the skills required by each committee;
 - 6.7.4 a formal documented Delegation of Authority which details the powers and functions delegated by the Board to the CEO and the powers and functions delegated to management by the CEO; and
 - 6.7.5 that the Delegation of Authority is reviewed annually or whenever there is a change to the organisational structure of the Institute.
- 6.8 The Board has the following committees:
 - 6.8.1 Audit and Risk Committee;
 - 6.8.2 Human Resources and Remuneration Committee;
 - 6.8.3 Nomination and Governance Committee;
 - 6.8.4 Social, Ethics and Transformation Committee; and
 - 6.8.5 Digital Transformation Governance Committee
- 6.9 The Board shall be advised by a Council appointed by appropriate constituents, as described in the Constitution.

7 BOARD GOVERNANCE

- 7.1 The Institute complies with all applicable corporate legislation. It also applies the principles and the majority of the recommended practices of King IV™ to the extent that they advance effective business leadership and governance in the Institute's environment. Where the Institute does not apply the principles, an explanation will be provided in the integrated report. The corporate governance practices are reviewed frequently and changed where appropriate in order to accommodate developments within the corporate governance environment.
- 7.2 Board Members are entitled to have access to all relevant Institute information and documents and to executive and senior management to assist them in the discharge of their duties and responsibilities to enable them to take informed decisions. The Secretary shall facilitate contact with senior management and ensure access to information.
- 7.3 Board Members are required to maintain and protect the confidentiality of information relating to the Institute and its business.
- 7.4 Board Members may seek independent professional advice, subject to prior consultation with the Chairperson or in other appropriate circumstances, the Secretary.
- 7.5 All Board Members are entitled to attend any committee meetings but shall not be entitled to a fee in respect of meetings for committees of which they are not members.

8 MEETING PROCEDURES

8.1 Attendance and Participation

- 8.1.1 Board Members must use their best endeavours to attend all Board meetings. Board Members are expected to be fully prepared for Board meetings in order to be able to participate fully, frankly and constructively in Board discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to bear in discharging their duties as Board Members.
- 8.1.2 Board Members who are unable to attend Board meetings must convey a prior apology with reasons to the Chairperson or Secretary.
- 8.1.3 The Secretary may in his/her discretion, authorise the use of audio or video conferencing facilities to make participation in a Board meeting possible should attendance in person not be possible.
- 8.1.4 If both the Chairperson and the Lead Independent Board Member are absent from a Board meeting, the Board Members present must elect one of their number to act as chairperson.
- 8.1.5 Executive and senior management who are not Board Members, assurance providers and professional advisors may be in attendance at meetings, but by invitation only and they may not vote.

8.2 Frequency of Meetings

- 8.2.1 The Board must hold sufficient scheduled meetings to discharge all of its duties as set out in this Board Charter but subject to a minimum of 4 (four) meetings per calendar year at intervals of not more than 3 (three) calendar months.
- 8.2.2 Meetings in addition to those scheduled may be held at the instance of: (i) any Board Member; or (ii) the Secretary.

8.3 Quorum

- 8.3.1 A majority of Board Members must be present in person or electronically at a meeting to form a quorum.
- 8.3.2 Individuals in attendance at Board meetings by invitation may participate in discussions but do not form part of the quorum for Board meetings.

8.4 Agenda and minutes

- 8.4.1 The Board shall cause proper minutes to be kept in separate bound minute books of:
- 8.4.1.1 all meetings of the Board;
 - 8.4.1.2 all general meetings of members of the Institute; and
 - 8.4.1.3 all meetings of Board committees.
- 8.4.2 The Board must establish an annual work plan to ensure that all relevant matters are covered by the agendas of the meetings planned for the year.
- 8.4.3 A detailed agenda, together with supporting documentation, must be circulated, at least 7 (seven) business days prior to each meeting to the Board Members and other invitees.
- 8.4.4 The minutes must be completed as soon as possible after the conclusion of each meeting and circulated to the Chairperson and the CEO for review thereof. The minutes must be formally approved by the Board at its next scheduled meeting and kept in a bound minute book.

8.5 Retention of meeting papers

- 8.5.1 All meeting papers and submissions made at the Board meeting are strictly confidential and neither the Board Members nor any other person may circulate them to any other parties. Exceptions to this prohibition must be authorised by the Chairperson or the Secretary, as is appropriate.
- 8.5.2 Board Members are expected to manage their security passwords providing electronic access to their meeting packs with due care and vigilance. A record of Board submissions and of material presented to the Board, shall be maintained and kept by the Secretary together with the minutes of meetings in line with the retention policy. Board Members may arrange with the Secretary to obtain access to records of Board documentation and minutes if required by them in the course of discharging their duties.

8.6 Decisions and Round Robin Resolutions

- 8.6.1 Resolutions taken at a meeting of the Board shall be decided by a majority of votes of members attending the meeting either in person or electronically. The Chairperson shall not have a casting vote in addition to his or her deliberative vote.
- 8.6.2 A decisions taken by a round robin resolution in writing signed by a majority of the Board Members shall be as valid and effective as if it had been passed at a meeting of the Board duly convened and constituted, provided where possible, all Board Members have been given notice of the proposed resolution and have had an opportunity to express their views on the resolution.
- 8.6.3 It is Board policy to limit the use of round robin resolutions to instances where the resolution is a mere formality or where the matter requiring decision is of such an urgent nature that it cannot be deferred until the next Board meeting.
- 8.6.4 The Chairperson, with the assistance of the Secretary, should consider whether an urgent special Board meeting would be a more appropriate decision-making procedure than a round robin resolution.
- 8.6.5 Notice of the matter to be decided by round robin resolution must be delivered to each Board Member where possible.

9 DISCLOSURE OF CONFLICT OF INTEREST

- 9.1 If a Board Member has any interest (including, but not limited to, a financial interest or an interest in respect of a disciplinary matter) which is to be considered at a Board meeting, or knows that a related person has such an interest, that Board Member:

- 9.1.1 must disclose the general nature of the interest before the matter is considered;
 - 9.1.2 must disclose all material information known to that Board Member to the persons present at the Board meeting;
 - 9.1.3 may disclose observations and insights relating to the matter if requested by the other Board Members to do so;
 - 9.1.4 may not be present when the matter is discussed, and may not participate in the consideration of the matter; and
 - 9.1.5 while absent from the meeting, is to be regarded as being present at the meeting for the purpose of determining whether sufficient Board Members are present to constitute a quorum for the meeting.
- 9.2 A Board Member may disclose any interest as described in paragraph 9.1 in advance by delivering to the Secretary a notice setting out the nature and extent of the interest. The Secretary must submit all disclosures of interest to the Board at the first subsequent meeting.
- 9.3 A Board Member who acquires a direct personal financial interest after an agreement or other matter has been approved by the Institute, must promptly disclose the nature and extent of that interest to the Board.
- 9.4 Failure to disclose an interest will render decisions, transactions or agreements invalid, unless subsequently ratified by the Board Members or a court.
- 9.5 Enduring material conflicts of interest are regarded by the Board as incompatible with the fiduciary duties of Board Members. Board Members are appointed on the express understanding and agreement that they may be removed by the Board if and when they develop an actual or prospective material, enduring conflict of interest.

10 PERFORMANCE EVALUATION

- 10.1 A formal evaluation of the Board, its committees and individual Board Members, including the Chairperson, must be performed, either externally facilitated or not, at least every 2 (two) years. Every alternate year, opportunity is provided for reflection and discussion by the Board of its performance and that of its committees, its Chairperson and its members as a whole.
- 10.2 The Lead Independent Board Member shall ensure that the performance of the Chairperson is evaluated and shall chair those portions of meetings at which the Chairperson's performance appraisal is discussed.

11 REMOVAL OF A BOARD MEMBER

Removal of a Board Member is dealt with in the Constitution under paragraph 6.11 and further detailed in the By-laws under paragraph 5.

12 REVIEW OF CHARTER

This Board Charter shall be reviewed by the Board annually and must be placed on the Institute's website.

ANNEXURE A TO THE BOARD CHARTER

South African Institute of Chartered Accountants: Preferred Attributes, Knowledge and Skills of Board Members

Every Board Member must:

1. subscribe to the highest levels of ethics and integrity;
2. support transformation and nation building and be willing to implement suitable strategies;
3. have a sound understanding of governance and business principles;
4. be a strategic thinker and aware of developments in the country and globally that impact the profession or will impact the profession in the future;
5. be willing to address key issues and solve them. It requires strong leadership, with Board Members not afraid to challenge the status quo and who are prepared to address issues such as the disciplining of errant members;
6. be prepared to take time to understand the business so that they can play a positive and effective role;
7. have an understanding of governance principles, ethics, risk management and internal controls;
8. be able to engage with management and have robust discussions on strategy and performance, and be prepared to have difficult conversations where necessary. (Business experience at a high level);
9. have sufficient knowledge of strategies and operations to provide support to management where needed;
10. understand the importance of communications in all its forms from a reputational risk management perspective; and
11. be able to define and identify key stakeholders at any point in time and engage them as appropriate.

A balance of the following skills, knowledge and attributes should be considered by the Nominations and Governance Committee when nominating Board Members.

1. The candidate should preferably have an understanding of the core skills and training needs of accountancy and related subjects. It is critical that the Board understands key technical issues so that it can make appropriate strategic decisions relating to resource allocation.
2. The candidate should have an understanding of the future education and training needs of the profession, because changes implemented take 7 to 10 years to take effect.
3. The candidate should preferably have some understanding of legal issues.
4. The candidate should have some knowledge of the public sector and government.
5. The candidate should have some knowledge of small and medium business.
6. The candidate should have a strategic understanding of auditing and assurance and how these should be developed in the future to meet the public needs.

7. The candidate should have an understanding of finance and funding of the Institute and its activities.
8. The candidate should have an understanding of value creation and the six capitals and the various trade-offs.
9. The candidate should have an understanding of IT and digitalisation and the risks and opportunities associated with them.
10. The candidate should have a high-level understanding of a member-based organisation which has a focused mission.

Individuals not eligible for consideration by the Nominations and Governance Committee are listed in the By-laws under paragraph 5.1 thereof.

APPENDIX 2 OF THE BY-LAWS: COUNCIL CHARTER

1. INTRODUCTION

- 1.1 The Council is established in terms of paragraph 8 of the Constitution.
- 1.2 The Council Charter contained in this Appendix 2 is not intended to replace or amend the Constitution or and part of the By-laws in any way whatsoever. In the event of a conflict between the Constitution and the By-laws, the Constitution shall prevail.
- 1.3 Words and phrases defined in the Constitution and the By-laws will have the same meaning for purposes of this Council Charter, unless the context indicates otherwise.

2. PURPOSE OF THE CHARTER

- 2.1 The purpose of this Council Charter is to set out the composition, function and mandate of the Council.

3. COMPOSITION

- 3.1 The Council composition shall be representative of constituencies and shall consist of not more than 40 (forty) individuals, appointed as follows:
 - 3.1.1 2 (two) members shall be appointed from time to time by the Council of the Central Region;
 - 3.1.2 2 (two) members shall be appointed from time to time by the Council of the Eastern Region;
 - 3.1.3 2 (two) members shall be appointed from time to time by the Council of the Northern Region;
 - 3.1.4 2 (two) members shall be appointed from time to time by the Council of the Southern Region;
 - 3.1.5 2 (two) members shall be appointed from time to time by The Association for the Advancement of Black Accountants of Southern Africa (ABASA);
 - 3.1.6 1 (one) member shall be appointed from time to time by the African Woman Chartered Accountants (AWCA);
 - 3.1.7 2 (two) members shall be appointed from time to time by the Members in Business Interest Group;
 - 3.1.8 2 (two) members shall be appointed from time to time by the CFO forum who are CA(SA)s;
 - 3.1.9 2 (two) members shall be appointed from time to time by the Large Practices Interest Group;
 - 3.1.10 2 (two) members shall be appointed from time to time by the Small and Medium Practices Interest Group;
 - 3.1.11 1 (one) member shall be appointed by the International Members Executive Committee from time to time as a representative of international members;
 - 3.1.12 1 (one) member shall be appointed by an appropriate academic forum from time to time as a representative of academics;
 - 3.1.13 1 (one) member shall be appointed from time to time by the Public Sector Committee as a representative of the public sector;

- 3.1.14 2 (two) members shall be appointed by associate colleges from time to time representing associates, and consisting of at least one AGA(SA);
 - 3.1.15 a maximum of 5 (five) members may be co-opted to the Council;
 - 3.1.16 the CEO shall be an *ex officio* member; and
 - 3.1.17 1 (one) other member of management appointed by the Board on the recommendation of the CEO shall be an *ex officio* member of the Council.
- 3.2 A casual vacancy occurring in the membership of the Council shall be filled by a person appointed by the constituency concerned.
 - 3.3 The eligibility for appointment, and the termination of appointment respectively, of members of the Council are dealt with in paragraph 5 of the By-laws.
 - 3.4 The Council should strive to reflect the race, gender and disability demographics of the country.
 - 3.5 The composition will be amended from time to time to ensure representation of constituencies subject to the entrenched rights
 - 3.6 The Council may, at any time, invite any person as a non-voting observer, whenever it deems such invitation necessary or appropriate.
 - 3.7 The Board shall have the right to suspend or remove any member of the Council whenever it deems it appropriate to do so, or to require a member to recuse himself or herself from proceedings of the Council.
 - 3.8 A member of the Council shall at all times act in the interests of the Institute as a whole and not only as a delegate of the constituency which appointed him or her.

4. FUNCTION AND MANDATE OF THE COUNCIL

- 4.1 The function and mandate of the Council is as follows:
 - 4.1.1 to serve as a consultative forum to consider and advise the Board on matters relating to the long-term strategy of the Institute and the profession;
 - 4.1.2 to represent Members' and Associates' interests facilitated through input from the Regional Councils and other relevant sources and communicated by the Council to the Board and management;
 - 4.1.3 to identify new Interest Groups and recommend these to the Board for representation on the Council;
 - 4.1.4 to provide input to the Nomination and Governance Committee for the appointment of members to the Board;
 - 4.1.5 to consider and advise the Board on the award of honorary life membership to Members; and
 - 4.1.6 to recommend changes to the Code of Professional Conduct for approval by the Board.
 - 4.1.7 to temporarily assume the powers and functions of the Board if the majority of the members of the Board resign or are removed and are not replaced in accordance with the provisions of the Constitution and the By-laws until such time as a new Board can be appointed.
- 4.2 The Council shall not interfere with the agenda or activities of the Board, unless the Board operates or threatens to operate outside of its mandate as set out in the Constitution, in which case the concerns of the Council must be brought to the attention of the membership at a General Meeting called in terms of the Constitution.

5. TERM OF OFFICE

Members of the Council shall hold office for a period of 3 (three) years, which may be renewed for a further 3 (three) year period.

6. PRESIDENT

- 6.1 The Council shall elect from among its members a President.
- 6.2 The President elected in terms of paragraph 6.1 shall act as Chairperson of the Council and shall serve a 1 (one) year term of office reviewed annually, up to a maximum of 6 (six) years in the aggregate.
- 6.3 In the event of the President being unable to attend a meeting, an Acting Chairperson shall be elected from those nominated members (not *ex officio*) present at the Council meeting.
- 6.4 The President or his/her nominee shall be an *ex officio* non-independent member of the Board.

7. MEETINGS AND MINUTES

- 7.1 The Council shall meet at least twice a year.
- 7.2 The Council shall cause proper minutes to be kept in separate bound minute books of all meetings of the Council and shall be made available to the Board.
- 7.3 The Chairperson must call additional meetings upon a reasonable request of any member of the Council, including *ex officio* members.
- 7.4 A quorum shall comprise at least 50% (fifty percent) plus 1 (one) member, 1 (one) of whom shall be the CEO or his/her delegated alternate.
- 7.5 Decisions shall be taken by an ordinary majority of members of the Council.

8. DISSOLUTION OF THE COUNCIL

The Council may be dissolved by a decision of the majority of the members of the Council.

9. REVIEW OF CHARTER

This Council Charter shall be reviewed by the Board annually and must be placed on the Institute's website.

APPENDIX 3 OF THE BY-LAWS: REGIONS AND INTEREST GROUPS

1. For the purposes of the Constitution and By-laws, the Board has determined the following Regions:
 - 1.1. Central Region consisting of the Free State, North-West and Northern Cape provinces;
 - 1.2. Eastern Region consisting of the Kwazulu Natal province;
 - 1.3. Northern Region consisting of the Gauteng, Mpumalanga and Limpopo provinces; and
 - 1.4. Southern Region consisting of the Eastern and Western Cape provinces.

2. For the purposes of the Constitution and the By-laws, the Board has determined the following interest groups / committees:
 - 2.1. The Association for the Advancement of Black Accountants of Southern Africa, more commonly referred to as ABASA;
 - 2.2. African Women Chartered Accountants, more commonly referred to as AWCA;
 - 2.3. Members in Business Interest group;
 - 2.4. The Large Practices Interest group;
 - 2.5. The Small and Medium Practices Interest Group;
 - 2.6. CFO Forum; and
 - 2.7. Public Sector Committee.