



Company No 1119378

The Companies Act 2006

Company limited by guarantee  
and not having a share capital

Articles of Association of  
Institute of Accountants and Bookkeepers

(Adopted by special resolution passed on 16<sup>th</sup> June 2022)

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### PART 1

#### INTERPRETATION, PURPOSE AND LIMITATION OF LIABILITY

## 1. Defined terms

1.1 In these articles, unless the context requires

otherwise: "Act" means the Companies Act

2006;

"articles" means the Institute's articles of association;

"Institute" means The Institute of Accountants and Bookkeepers, company number 1119378;

"Awarding Organisation Standards Committee" has the meaning given in article 21.2(b);

"bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

"Board" means the directors of the Institute acting together;

"Board member" means a director;

"byelaws" means the byelaws adopted by the Board pursuant to article 23 or any modification of them for the time being in force;

"chair" has the meaning given in article 30;

“chair of the meeting” has the meaning given in article 43;

“Committee” means any sub-committee or working group of the Board;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Institute;

“director” means a director of the Institute, and includes any person occupying the position of director, by whatever name called;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Act; “hard copy form” has the meaning given in section 1168 of the Act;

“member” includes Fellow Member, Member and Associate Member of the Institute (such terms to bear the meanings in these articles set out in the byelaws) and such other category of member as shall be prescribed by the Board from time to time and included in the byelaws provided that no person shall be admitted as a member unless at that time they are ordinarily resident in the United Kingdom of Great Britain and Northern Ireland and has the meaning given to the term “member” in section 112 of the Act;

“Membership & Communications Committee” has the meaning given in article 21.2(c);

“Nominations Committee” has the meaning given in article 21.2(d);

“non-voting member” includes Non-UK Member (such term to bear the meanings in these articles set out in the byelaws) and such other category of non-voting member as shall be prescribed by the Board from time to time and included in the byelaws, provided that non-voting members shall not be members;

“ordinary resolution” has the meaning given in section 282 of the Act;

“participate”, in relation to a Board meeting, has the meaning given in article 28;

“Professional Standards Committee” has the meaning given in article 21.2(a);

“proxy notice” has the meaning given in article 50;

“Secretary” means the Secretary of the Institute (if any) or any other person appointed to perform the duties of the Secretary of the Institute, including a joint, deputy or assistant Secretary;

“special resolution” has the meaning given in section 283 of the Act;

“subsidiary” has the meaning given in section 1159 of the Act; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Act as in force on the date when these articles become binding on the Institute.
- 1.3 Words in the singular shall include the plural and *vice versa*. Any reference to a statutory provision shall include where the context permits, the subordinate legislation made from time to time under that provision and any reference to a statutory provision shall include that provision as from time to time modified or re-enacted so far as such modification or re-enactment applies or is capable of applying to such reference.
- 1.4 Headings and sub-headings are for convenience only and shall not affect the interpretation of these articles.
- 1.5 Unless stated to the contrary, a reference to a statute, statutory provision or subordinate legislation includes a reference to it as modified, replaced, amended and/or re-enacted from time to time (before or after the date of these byelaws) and any prior or subsequent legislation made under it but this byelaw shall not impose on any person any greater obligation than would otherwise apply.

## 2. Objects

The objects for which the Institute is established are:

- a) To provide an international organisation for accountants, bookkeepers and other persons connected with the recording of financial data; to do all such things as

from time to time may be necessary to promote and protect the status of members; to award certificates, diplomas and prizes as appropriate to successful examinees.

- b) To exercise supervision over members and to secure for them such professional standing as may assist them in the discharge of their duties.
- c) To purchase or sell, take or let on lease, take or give in exchange or on hire, or otherwise acquire, hold or dispose of any estate or interest whether in the United Kingdom or in any country or place, such property to be used to attain any of the objects of the Institute, always subject to the provisions of the relevant section of the Companies Acts.
- d) To facilitate interchange of information and ideas among the members and in particular
  - i) to hold meetings including lectures, talks and conferences.
  - ii) to establish and maintain libraries.
  - iii) to make grants for research purposes in furtherance of these objects and to acquire and disseminate by other means, useful information connected with the occupation of bookkeeper and to encourage improved methods of bookkeeping and data processing.
  - iv) to publish and issue journals, newsletters, and other professional literature.
- e) To make provision for the relief of persons who are, or who have been members of the Institute, and for the dependents of any deceased members.
- f) To assist members in obtaining employment.
- g) To cause the Institute to be registered or otherwise incorporated in any overseas country where the activities of the Institute are carried out in accordance with the laws of such country.
- h) To borrow or raise money in any manner in which the Board may think fit and for that purpose mortgage or otherwise charge the whole or part of the undertaking, property or assets of the Institute.
- i) To invest any money not immediately required in such manner as may from time to time be determined by the Board.
- j) To take such steps as may be deemed expedient to provide contributions to the funds of the Institute in the form of fees, subscriptions and donations.
- k) To apply for and take out, purchase or otherwise acquire patents, patent rights, inventions or secret processes which may be useful for the objects of the Institute and to grant licences to use the same.
- l) To establish, acquire and support, or to aid in the establishment acquisition and

support of any club, institution, corporation or other organisation calculated to benefit members or any person employed by the Institute. Always provided that the Institute shall not support with its funds any objects or endeavour to impose on or provide to be observed by its members or others any regulation, restriction or condition, which if an object of the Institute would make it a Trade Union.

- m) To subscribe or guarantee money for any charitable, benevolent, educational or social object or for any exhibition or for any public general or useful object which the Board for the time being may think desirable or advantageous to the Institute.
- n) To apply or petition for, or promote, any Act of Parliament, Royal Charter or other authority with a view to the attainment of the above objects or any of them.
- o) To establish or support pension, gratuity or superannuation schemes which may be considered or calculated to be beneficial to the officers and employees of the Institute and their dependents.

### 3. Non-distribution of income

The Institute shall apply the income and property of the Institute from whatever sources, solely towards its activities and no part of such income shall be paid or transferred directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to the members or non-voting members. Nothing in these articles shall prevent the payment in good faith, of reasonable and proper remuneration to any officer or employee of the Institute or to any member or non-voting member in return for any services provided to the Institute, nor prevent the payment of interest at a reasonable rate on money lent or reasonable and proper rent for premises demised or let by any member or non-voting member to the Institute.

### 4. Liability of members

The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the Institute in the event of its being wound up while they are a member or within one year after they cease to be a member, for:

- a) payment of the Institute's debts and liabilities contracted before they cease to be a member,
- b) payment of the costs, charges and expenses of winding up, and
- c) adjustment of the rights of the contributories among themselves.

### 5. Winding up

If on the winding up or dissolution of the Institute there remains, after the satisfaction of all its debts and liabilities, any property whatsoever the same shall not be paid to or distributed among the members of the Institute, but shall be given or transferred to some other organisation having objects or carrying on activities similar to those of the Institute and prohibiting the distribution of its or their income and property among its or their



members, and if and so far as effect cannot be given to such provision, then to some charitable purpose.

## PART 2

### OFFICERS, BOARD MEMBERS AND THE BOARD OFFICERS

#### 6. Presidents, Vice Presidents and Patrons

The Board shall have power to appoint a President, Vice Presidents and Patrons who shall continue in office for as long as the Board shall decide. The President, Vice Presidents and Patrons shall not be directors or Board members and shall not have any rights or duties in relation to the Board.

#### 7. Executive Directors

There shall be a Chief Executive and a Chief Operating Officer of the Institute, each of whom shall be appointed by the Board for such term and on such remuneration as may be determined in accordance with article 17 and on such conditions as they may think fit and each of whom shall be a Board member and, as such, shall have equal status as a director and with a vote, with Board members in respect of their right to receive notice of and to attend all meetings of Board or of its Committees or working groups.

#### 8. Secretary

The Secretary (if any) shall be appointed by the Board for such term and such remuneration and on such conditions as they may think fit and any Secretary so appointed may be removed by the Board.

#### 9. Other offices

Any member or non-voting member or any Board member may be eligible for appointment as an examiner, moderator, invigilator, or examination representative.

## THE BOARD

#### 10. Board Composition

10.1 There shall be a board which shall for all purposes be the governing body of the Institute.

10.2 The Board shall consist of not less than five, and not more than nine, Board members as follows:

- a) the Chief Executive and Chief Operating Officer;
- b) the chairs of each of the Professional Standards Committee, the Membership and Communications Committee and the Awarding Organisation Standards Committee; and
- c) up to four other Board members appointed or co-opted to the Board in accordance with Article 11 or 12.

## 11. Appointment – casual vacancy

The Board may fill a casual vacancy or appoint an additional Board member to hold office until the next annual general meeting. In doing so the Board shall take account of, but shall not be bound to follow, the recommendations, if any, of the Nominations Committee. Any Board member appointed in this way, during the year, must seek election by members at the annual general meeting following their appointment.

## 12. Appointment by co-option

Subject to Article 10, the Board may appoint, taking account of, but not bound to follow, the recommendations, if any, of the Nominations Committee, Board members subject to the following:

- a) They shall be appointed for their special expertise or qualifications which the Board considers will be of benefit to its deliberations.
- b) They need not be a member of the Institute in any membership category.
- c) Their appointment shall be subject to annual review by the Board at the first Board meeting after the annual general meeting.
- d) Their terms of appointment, including length of service and any remuneration shall be approved by the Board.
- e) They shall be treated in the same way as other Board members and in particular:
  - (i) shall be entitled to receive notice of and papers for all Board meetings
  - (ii) be eligible to be part of any Committees or working groups
  - (iii) be entitled to a vote at all Board, Committee and working group

- meetings which they attend as a member
  - (iv) be obliged to declare their interests in any matter before the Board or any arrangements which they may enter into with the Institute
  - (v) be subject to article 14.1.
- f) They shall be directors of the Institute.

### 13. Retirement by rotation

At every annual general meeting one third of the Board members for the time being, or if their number is not three or a multiple of three, the number nearest to but not exceeding one third, shall retire from office. If any Board member has retired and is not seeking re-election such other Board member(s) shall retire to make up that number. The Board members so required to retire in every year shall be those who have been the longest in office since their last election, but as between persons who became Board members on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

### 14. Requirements on appointment

#### 14.1 Directors must:

- (a) be willing to act as a director and be permitted by law to do so;
- (b) sign up to the current corporate governance guidelines of the Board/Institute and to a confidentiality agreement in the form approved by Board from time to time;
- (c) complete an agreed induction programme; and
- (d) comply with any other conditions for membership of the Board laid down by the Board from time to time.

### 15. Termination of Board member's appointment

#### 15.1 A person ceases to be a Board member as soon as:

- (a) they cease to be a director by virtue of any provision of the Act or are prohibited from being a director by law;
- (b) a bankruptcy order is made against them;
- (c) a composition is made with their creditors generally in satisfaction of their debts;
- (d) a registered medical practitioner who is treating them gives a written opinion to the Institute stating that they have become physically or mentally incapable of acting as a Board member and may remain so for more than three months;
- (e) notification is received by the Institute from the Board member that they are

- resigning from office, and such resignation has taken effect in accordance with its terms;
- (f) they are directly or indirectly interested in any contract with the Institute and fail to declare the nature of their interest in the manner required by the Act or these articles;
  - (g) they have been absent without permission of the Board for more than six consecutive months from meetings of the Board held during that period and the Board resolves that their office be vacated;
  - (h) in the case of the Chief Executive and/or Chief Operating Officer, a resolution of the Board is passed provided that where the removal of both the Chief Executive and Chief Operating Officer is proposed, their removals shall be dealt with by separate resolutions to remove them from office;
  - (i) in the case of all Board members other than the Chief Executive and/or Chief Operating Officer, notice in writing is served upon them that their appointment as a Board member shall terminate immediately, signed by at least three-quarters of the other Board members; or
  - (j) in the case of the Chief Executive and/or Chief Operating Officer, without prejudice to any claim to damages for breach of the contract of service between the Chief Executive and/or Chief Operating Officer (as the case may be) and the Institute, they cease to be employed by the Institute or have given or received notice of termination of employment and are instructed by resolution of the Board to cease to be director before such termination takes effect.

## 16. Term of Office

- 16.1 This article shall apply to all Board members.
- 16.2 With the exception of the Chief Executive and Chief Operating Officer, any Board member will be elected at the AGM for a term of three years and will only be able to serve a maximum of three terms. At the end of their first term the nominations committee will determine if the Board member will be reinstated for any future terms.
- 16.3 Board members who stand down after completing the maximum term of office as above, will be eligible to stand for the Board again after three years' absence.

## 17. Remuneration of Board members

- 17.1 Board members may undertake any services for the Institute that the Board decides.
- 17.2 Board members are entitled to such remuneration for their services to the Institute performed in their capacity as Board members as the Board may determine from time to time and such remuneration may vary from one Board member to another depending on the services provided and offices held by each such individual.
- 17.3 Board members are entitled to any remuneration determined by the Board for any other service which they undertake for the Institute.

- 17.4 The Chief Executive and Chief Operating Officer are entitled to such remuneration as shall be determined in their contract of service with the Institute as varied from time to time.

## 18. Expenses

The Institute may pay any reasonable expenses which the Board members and members of Committees properly incur in connection with their attendance at meetings of the Board or Committees and at general meetings, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Institute. Other expenses incurred on duties elsewhere must be sanctioned by the Board provided that the separate sanction of the Board shall not be required in the case of the Chief Executive and Chief Operating Officer and any Board member appointed as an examiner, moderator, invigilator or examination representative, in respect of expenses paid in accordance with any policy generally governing the payment of expenses to persons employed by the Institute and/or performing such roles.

### BOARD MEMBERS' POWERS AND RESPONSIBILITIES

## 19. Board's general authority

- 19.1 Subject to the articles, the Board is responsible for the management of the Institute's business, for which purpose it may exercise all the powers of the Institute.

## 20. Members' reserve power

- 20.1 The members may, by special resolution, direct the Board to take, or refrain from taking, specified action.
- 20.2 No such special resolution invalidates anything which the Board has done before the passing of the resolution.

## 21. Board may delegate

- 21.1 Subject to the articles, the Board may delegate any of the powers which are conferred on it under the articles:
- (a) to such person or Committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and

conditions; as it thinks fit.

21.2 The Board shall constitute the following Committees and shall appoint the members of such committees and delegate to them, through the adoption of such terms of reference as the Board may from time to time approve, the functions and powers described hereafter:

- (a) a professional standards committee (the “Professional Standards Committee”) comprising a chair of the committee, who shall be a Board member, and up to six other Committee members who need not be Board members, which shall oversee and monitor the Institute’s anti money laundering supervisory responsibilities and the rules and codes of conducts which govern the professional standards expected of members;
- (b) an awarding organisation standards committee (the “Awarding Organisation Standards Committee”) comprising a chair of the committee, who shall be a Board member, and up to six other Committee members who need not be Board members, which shall oversee and monitor the Institute’s qualifications offering and related regulatory obligations, including management of the Institute’s examinations and related procedures and the establishment of relevant syllabuses;
- (c) a membership and communications committee (the “Membership and Communications Committee”) comprising a chair of the committee, who shall be a Board member, and up to six other Committee members who need not be Board members but each of whom shall be a member of the Institute’s staff, a Member or Fellow Member, which shall oversee and monitor the needs of members, the benefits and experience offered to members and shall engage with members to gather their views; and
- (d) a nominations committee (the “Nominations Committee”) comprising two or more Board members, including for the avoidance of doubt, at the discretion of the Board, the Chief Executive and Chief Operating Officer, which shall keep the membership of the Board and committees under review and make recommendations to the Board as to the appointment of committee members and the appointment and proposals for re-election of Board members so as to ensure that the composition and balance of the Board and committees remain appropriate to lead and govern the Institute.

21.3 If the Board so specifies, any such delegation may authorise further delegation of the Board’s powers by any person to whom they are delegated.

21.4 The Board may revoke any delegation in whole or part or alter its terms and conditions.

## 22. Committee procedures

22.1 Committees to which the Board delegates any of its powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by the Board.

- 22.2 The Board may delegate any of its powers to Committees or working groups consisting of such members or Board members as it thinks fit, and may co-opt to such Committees and working groups other persons holding specialised qualifications who need not necessarily be members or Board members; any Committee so formed shall in the exercise of the powers so delegated conform to any byelaw or regulation that may be imposed on it by the Board.
- 22.3 A Committee or working group may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members of the Committee or working group present. In the case of an equality of votes the chair shall have a second or casting vote.
- 22.4 The Board may make rules of procedure for all or any Committees, which prevail over rules derived from the articles if they are not consistent with them.
- 22.5 All acts executed by any meeting of the Board or its Committees or working groups shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Committee or working group or Board member or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Board member.

## 23. Byelaws

- 23.1 The Board may make, vary and rescind byelaws or regulations for the effective running of the Institute.
- 23.2 All byelaws so made and for the time being in force shall be binding on all members and non-voting members and shall have full effect accordingly.
- 23.3 If there is any inconsistency between the articles and the byelaws, the articles shall prevail.

## 24. Change of name

The Institute may change its name by resolution of the Board or by special resolution of the members.

### DECISION-MAKING BY THE BOARD

## 25. Board decisions

The general rule about decision-making by the Board is that any decision must be either a majority decision at a meeting or a decision taken by resolution in writing in accordance with article 26.

## 26. Resolutions in writing

- 26.1 A decision of the Board is taken in accordance with this article when all eligible Board members indicate to each other by any means that they share a common view on a matter.
- 26.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Board member or to which each eligible Board member has otherwise indicated agreement in writing.
- 26.3 References in this article to eligible Board members are to those who would have been entitled to vote on the matter had it been proposed as a resolution at a Board meeting.
- 26.4 A decision may not be taken in accordance with this article if the eligible Board members would not have formed a quorum at such a meeting.

## 27. Calling a Board meeting

- 27.1 Any Board member may call a Board meeting by giving notice of the meeting to the Board members or by authorising the Secretary (if any) to give such notice.
- 27.2 Notice of any Board meeting must indicate:
- (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that Board members participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 27.3 Notice of a Board meeting must be given to each Board member but need not be in writing.
- 27.4 Notice of a Board meeting need not be given to Board members who waive their entitlement to notice of that meeting, by giving notice to that effect to the Institute not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## 28. Participation in Board meetings

- 28.1 Subject to the articles, Board members participate in a Board meeting, or part of a Board meeting, when:
- (a) the meeting has been called and takes place in accordance with the articles, and



- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

28.2 In determining whether Board members are participating in a Board meeting, it is irrelevant where any Board member is or how they communicate with each other.

28.3 If all the Board members participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## 29. Quorum for Board meetings

29.1 At a Board meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

29.2 The quorum for Board meetings may be fixed from time to time by a decision of the Board members, but it must never be less than three, and unless otherwise fixed it is one third of the members of the Board for the time being, or if their number is not a multiple of three then the nearest whole number to one third.

29.3 If the total number of Board members for the time being is less than the quorum required, the Board members must not take any decision other than a decision:

- a) to appoint further Board members, or
- b) to call a general meeting so as to enable the members to appoint further Board members.

## 30. Chairing of Board meetings

30.1 The Board members may appoint a Board member (but excluding the Chief Executive and Chief Operating Officer) to chair their meetings.

30.2 The person so appointed for the time being is known as the chair.

30.3 The chair shall be appointed at the first Board meeting after each annual general meeting of the Institute to hold office until the first Board meeting after the annual general meeting in the next year.

30.4 If there is a casual vacancy in the office of chair then the Board may appoint a replacement chair in accordance with these articles.

30.5 The Board members may terminate the appointment of the chair at any time.

30.6 If the chair is not participating in a meeting within ten minutes of the time at which it was to start, the participating Board members must appoint one of themselves to chair it. For the avoidance of doubt, nothing shall prevent the Chief Executive or Chief Operating Officer being appointed to chair a meeting of the board in the absence of the chair.

## 31. Casting vote

- 31.1 If the numbers of votes for and against a proposal are equal, the chair or other Board member chairing the meeting has a casting vote.
- 31.2 But this does not apply if, in accordance with the articles, the chair or other Board member chairing the meeting is not to be counted as participating in the decision-making process for quorum or voting purposes.

## 32. Conflicts of interest

- 32.1 If a proposed decision of the Board members is concerned with an actual or proposed transaction or arrangement with the Institute in which a Board member is interested, that Board member is not to be counted as participating in the decision-making process for quorum or voting purposes.
- 32.2 But if article 32.3 applies, a Board member who is interested in an actual or proposed transaction or arrangement with the Institute is to be counted as participating in the decision-making process for quorum and voting purposes.
- 32.3 This article 32.3 applies when:
- (a) the Institute by ordinary resolution disapplies the provision of the articles which would otherwise prevent a Board member from being counted as participating in the decision-making process;
  - (b) the Board member's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - (c) the Board member's conflict of interest arises from a permitted cause.
- 32.4 For the purposes of this article, the following are permitted causes:
- (a) a guarantee given, or to be given, by or to a Board member in respect of an obligation incurred by or on behalf of the Institute or any of its subsidiaries;
  - (b) arrangements under which benefits are made available to employees and Board members or former employees and Board members of the Institute or any of its subsidiaries which do not provide special benefits for Board members or former Board members.
- 32.5 For the purposes of this article, references to proposed decisions and decision-making processes include any Board meeting or part of a Board meeting.
- 32.6 Subject to article 32.7, if a question arises at a meeting of Board members or of a Committee of Board members as to the right of a Board member to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chair whose ruling in relation to any Board member other than the chair is to be final and conclusive.

- 32.7 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the Board members at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

### 33. Records of decisions to be kept

- 33.1 The Board must ensure that the Institute keeps a record, in writing, for at least 10 years from the date of the decision recorded of every unanimous or majority decision taken by the Board or any of its Committees.
- 33.2 Any minutes, if purporting to be signed by the chair of the meeting at which the proceedings were conducted or by the chair of the next succeeding meeting, shall be conclusive evidence of any such proceedings without any further proof of the facts stated in them.
- 33.3 All acts carried out in good faith by any meeting of the Board or of any Committee of the Board or by any person acting as a Board member shall notwithstanding it is discovered afterwards that there was some defect in the appointment of any such member(s) or person(s) so acting or that they or any of them were disqualified or had vacated office or were not entitled to vote be as valid as if every such person had been duly appointed and was qualified and had continued to be a Board member, and was entitled to vote.

### 34. Board's discretion to make further rules

Subject to the articles, the Board may make any rule which it thinks fit about how it takes decisions, and about how such rules are to be recorded or communicated to Board members.

## PART 3

### MEMBERS AND NON-VOTING MEMBERS BECOMING AND CEASING TO BE A MEMBER OR NON-VOTING MEMBER

### 35. Number of members

The number of members is unlimited.

### 36. Applications for membership

36.1 No person shall become a member of the Institute unless:

- (a) that person has completed an application for membership in a form approved by the Board; and
- (b) the Board has approved the application.

36.2 No person shall become a non-voting member of the Institute unless:

- (a) that person has completed an application in a form approved by the Board; and
- (b) the Board has approved the application or the application has been otherwise approved pursuant to procedures set out in the byelaws.

## 37. Termination of membership

37.1 A member or non-voting member may withdraw from their category of membership of the Institute by giving notice to the Institute in writing.

37.2 Any individual giving notice of their intention to resign as a member or a non-voting member shall remain liable to pay any subscription or other sums due from them at the date the relevant notice is accepted.

37.3 An individual's notice of resignation as a member or as a non-voting member shall not be accepted and they shall accordingly not cease to be a member or non-voting member if a complaint about them has been received by the Institute, until the matter has been finally settled and the amount of any fine or costs awarded against them has been paid in full.

37.4 Membership and non-voting membership are not transferable.

37.5 A person's membership or non-voting membership terminates when:

- (a) any notice of resignation given by them under 37.1 is accepted by the Institute;
- (b) they die or cease to exist;
- (c) a bankruptcy order is made against them;
- (d) a composition is made with their creditors generally in satisfaction of their debts;
- (e) a registered medical practitioner who is treating them gives a written opinion to the Institute stating that they have become physically or mentally incapable of acting as a member or non-voting member and may remain so for more than three months;
- (f) if they are in arrears after more than one month from the due date with any subscription or other sum due and payable to the Institute in respect of their membership or non-voting membership;
- (g) they cease to comply with any provisions of the articles or byelaws governing the requirements for the category of membership to which they belong,
- (h) if they willfully neglect or refuse to comply with any provisions of the articles

or byelaws or are guilty of acts or conduct contrary or prejudicial to the objects, interests or influence of the Institute and a resolution for their exclusion from membership or non-voting membership is passed by a majority of the Board members present and entitled to vote at a duly convened Board meeting.

## DECISION MAKING BY MEMBERS

### 38. Organisation of general meetings

- 38.1 The Institute shall hold a general meeting once in each calendar year as its annual general meeting, to receive the annual report and accounts, to elect Board members in place of those retiring, to appoint auditors if required by the Companies Acts and to authorise the Board members to set their remuneration and to transact any other business of which proper notice has been given.
- 38.2 The annual general meeting shall be held at such time and place as the Board members shall determine.
- 38.3 All general meetings other than annual general meetings shall be called general meetings.
- 38.4 The Board members may call general meetings and, at the requisition of members under the provisions of the Companies Acts, shall convene a general meeting in accordance with the provisions of the Companies Acts.

### 39. Notice of general meetings

- 39.1 All general meetings, including annual general meetings, shall be called by at least fourteen clear days' notice.
- 39.2 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.
- 39.3 Subject to the provisions of these articles, the notice shall be given to all the members and to the Board members and auditors.
- 39.4 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 39.5 Subject to the provisions of article 39.4, the Board shall give to every member with the notice of any general meeting at which accounts are to be laid, a copy of the annual report and audited accounts and with the notice of any annual general meeting, a list of persons nominated for election to the Board.

## 40. Members' power to call general meeting to appoint Board members

If:

- (a) the Institute has fewer than three Board members, and
- (b) the Board member (if any) is unable or unwilling to appoint sufficient Board members to make up a quorum or to call a general meeting to do so,

then two or more members may call a general meeting (or instruct the Secretary, if any, to do so) for the purpose of appointing one or more Board members.

## 41. Attendance and speaking at general meetings

41.1 A person is able to exercise the right to speak at a general meeting when they are in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which they have on the business of the meeting.

41.2 A person is able to exercise the right to vote at a general meeting when:

- (a) they are able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- (b) their vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

41.3 The Board may make whatever arrangements it considers appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

41.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

41.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

41.6 No member shall be entitled to attend in person or by proxy at any general meeting if they are in arrears after more than one month from the due date, with any subscription or any other sum due and payable to the Institute in respect of their membership.

## 42. Quorum for general meetings

42.1 No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

42.2 The quorum for general meetings is five members present in person, or by proxy.

### 43. Chairing general meetings

43.1 If the Board has appointed a chair, that person shall chair general meetings if present and willing to do so.

43.2 If the Board has not appointed a chair, or if the chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

- (a) the President (if any) may chair the meeting if present and willing to do so; or
- (b) the Board members present may appoint one of their number who is present and willing to do so; or
- (c) if no Board members are present, the meeting, must appoint a member who is present and willing to do so;

to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.

43.3 The person chairing a meeting in accordance with this article is referred to as “the chair of the meeting”.

### 44. Attendance and speaking by non-members

44.1 A Board member shall, notwithstanding that they are not a member, be entitled to attend and speak at any general meeting.

44.2 The chair of the meeting may permit other persons who are not members of the Institute, or otherwise entitled to exercise the rights of members in relation to general meetings, to attend and speak at a general meeting.

### 45. Adjournment

45.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chair of the meeting must adjourn it.

45.2 The chair of the meeting may adjourn a general meeting at which a quorum is present if—

- (a) the meeting consents to an adjournment, or
- (b) it appears to the chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

45.3 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.

- 45.4 When adjourning a general meeting, the chair of the meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Board, and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 45.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Institute must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (a) to the same persons to whom notice of the Institute's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain.
- 45.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## VOTING AT GENERAL MEETINGS

### 46. Voting: general

- 46.1 Subject to article 46.2, every member shall have one vote.
- 46.2 No member shall be entitled to vote in person or by proxy at any general meeting if they are in arrears after more than one month from the due date, with any subscription or any other sum due and payable to the Institute in respect of their membership.
- 46.3 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.
- 46.4 Unless a poll is duly demanded a declaration by the chair of the meeting that the resolution has been carried or carried unanimously, or by a particular majority, or lost or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the vote recorded in favour or against the resolution.
- 46.5 In the case of an equality of votes whether on a show of hands or on a poll the chair shall be entitled to a casting vote in addition to any other vote they may have.

### 47. Errors and disputes



- 47.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 47.2 Any such objection must be referred to the chair of the meeting whose decision is final.

## 48. Demanding a poll

- 48.1 A poll on a resolution may be demanded—
  - (a) in advance of the general meeting where it is to be put to the vote, or
  - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 48.2 A poll may be demanded by—
  - (a) the chair of the meeting;
  - (b) the Board;
  - (c) five or more persons having the right to vote on the resolution; or
  - (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.
- 48.3 A demand for a poll may be withdrawn if—
  - (a) the poll has not yet been taken, and
  - (b) the chair of the meeting consents to the withdrawal.
- 48.4 Other than with the consent of the chair, no poll may be demanded on the election of the chair of the meeting, or a question of adjournment of the meeting.

## 49. Procedure on a poll

- 49.1 Subject to the articles, polls at general meetings must be taken when, where and in such manner as the chair of the meeting directs.
- 49.2 The chair of the meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared.
- 49.3 The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.
- 49.4 Polls must be taken within 30 days of their being demanded.
- 49.5 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.

- 49.6 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded.
- 49.7 In any other case, at least 7 days' notice must be given specifying the time and place at which the poll is to be taken.

## 50. Content of proxy notices

- 50.1 Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which:
- (a) states the name and address of the member appointing the proxy;
  - (b) identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the Board members may determine; and
  - (d) is delivered to the Institute in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- 50.2 The Institute may require proxy notices to be delivered in a particular form and may specify different forms for different purposes.
- 50.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 50.4 Unless a proxy notice indicates otherwise, it must be treated as—
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## 51. Delivery of proxy notices

- 51.1 Any notice of a general meeting must specify the address or addresses (“proxy notification address”) at which the Institute or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
- 51.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Institute by or on behalf of that person.
- 51.3 Subject to articles 51.4 and 51.5, a proxy notice must be delivered to a proxy notification address not less than 48 hours (excluding non-working days) before the general meeting or adjourned meeting to which it relates.

- 51.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll.
- 51.5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered
- (a) in accordance with article 51.3, or
  - (b) at the meeting at which the poll was demanded to the chair, Secretary or any Board member.
- 51.6 An appointment under a proxy notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given to a proxy notification address.
- 51.7 A notice revoking a proxy appointment only takes effect if it is delivered before—
- (a) the start of the meeting or adjourned meeting to which it relates, or
  - (b) (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.
- 51.8 If a proxy notice is not signed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

## 52. Amendments to resolutions

- 52.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the chair or Secretary in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine), and
  - (b) the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- 52.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 52.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, their error does not invalidate the vote on that resolution.

## PART 4 ADMINISTRATIVE ARRANGEMENTS

### 53. Notices

- 53.1 Anything sent or supplied by or to the Institute under these Articles (including but not limited to any notice or other document) may be sent or supplied in any way in which the Companies Acts provide for documents or information to be sent or supplied by or to the Institute (including by means of a website and/or by use of Electronic Communications).
- 53.2 Any notice to be given to or by any person under these Articles shall be in writing (except that a notice convening a meeting of Board members need not be in writing) or shall be given by means of a website and or by use of an Electronic Communication to an address for the time being notified for that purpose to the person giving the notice. Nothing in this article shall affect any requirements of the Companies Acts that any particular offer, notice or other document be served in any particular manner.
- 53.3 In this article “address” in relation to Electronic Communications includes any number, electronic mail address or other address used for the purposes of such communications.
- 53.4 The Institute may give any notice or document to a member, either personally or by sending it by post or other delivery service in a first class prepaid envelope addressed to the member at their registered address or by leaving it at that address. The Institute may give any notice or document to any member by means of a website and/or by use of an Electronic Communication to an address for the time being notified to the Institute by the member.
- 53.5 Where a member has a registered address outside the United Kingdom but has notified the Institute of an address within the United Kingdom at which notices or other documents may be given to them or an address to which notices may be sent using Electronic Communication or by means of a website, they shall be entitled to have notices given to them at that address or by means of a website, but otherwise no such member shall be entitled to receive any notice or document from the Institute.
- 53.6 If on two consecutive occasions notices or other documents have been sent through the post to any member at their registered address or their address for the service of notices but have been returned undelivered, such member shall not thereafter be entitled to receive notices or other documents from the Institute until they shall have communicated with the Institute and supplied in writing a new registered address or address within the United Kingdom for the service of notices.
- 53.7 Any member present, in person or by proxy at any meeting of the Institute shall be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was called.
- 53.8 Any notice or other document, addressed to a member at their registered address

or address for service in the United Kingdom shall, if sent by post, be deemed to have been given at the expiration of 24 hours after the envelope was posted and, if sent by Electronic Communication (including by means of a website), be deemed to have been given at the expiration of 24 hours after the Electronic Communication was sent or placed on the website. In proving such service or delivery it shall be sufficient to prove that the envelope containing the notice or document was properly addressed and put into the post as a prepaid letter or, in the case of a notice sent by Electronic Communication, to prove that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators.

- 53.9 Any notice or other document not sent by post but delivered or left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered on the day on which it was so delivered or left.
- 53.10 Any notice to be given by the Institute to the members or any of them and not otherwise provided for by these Articles shall be sufficiently given if given by advertisement in at least one leading daily national newspaper published in the United Kingdom. Any notice given by advertisement shall be deemed to have been served at noon on the day on which the advertisement first appears.
- 53.11 If at any time by reason of the threat of or of the suspension, interruption or curtailment of postal services within the United Kingdom, the Institute is or would be unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least two leading daily national newspapers (at least one of which shall be published in London). Such notice shall be deemed to have been duly served on all members entitled to it at noon on the day on which the first of such advertisements appears. In any such case the Institute shall send confirmatory copies of the notice by post if at least 7 days prior to the meeting if the posting of notices to addresses throughout the United Kingdom again becomes practicable.

## 54. Company seal

- 54.1 Any common seal may only be used by the authority of the Board.
- 54.2 The Board may decide by what means and in what form any common seal is to be used.
- 54.3 Unless otherwise decided by the Board, if the Institute has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 54.4 For the purposes of this article, an authorised person is:
- (a) any Board member;
  - (b) the Secretary, if any; or
  - (c) any person authorised by the Board for the purpose of signing documents to which the common seal is applied.

## 55. Inspection of accounts and other records

- 55.1 The books of account shall be kept at the registered office of the Institute or at such other place or places as the Board thinks fit and shall be at all times open to inspection by members of the Board for the time being who have given due notice.
- 55.2 No member or non-voting member shall, except a member or non-voting member who is also a Board member or Secretary of the Institute, have any right of inspecting any accounting records or other book or documents of the Institute except as conferred by statute or authorised by the Board.

### DIRECTORS' INDEMNITY AND INSURANCE

## 56. Indemnity

- 56.1 Subject to article 57.2, a relevant Board member of the Institute or an associated company may be indemnified out of the Institute's assets against:
- (a) any liability incurred by that Board member in connection with any negligence, default, breach of duty or breach of trust in relation to the Institute or an associated company,
  - (b) any liability incurred by that Board member in connection with the activities of the Institute or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
  - (c) any other liability incurred by that Board member as an officer of the Institute or an associated company.
- 56.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 56.3 In this article:
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
  - (b) a "relevant Board member" means any Board member or former Board member of the Institute or an associated company.

## 57. Insurance

- 57.1 The Board may decide to purchase and maintain insurance, at the expense of the Institute, for the benefit of any relevant Board member in respect of any relevant loss.
- 57.2 In this article:

- (a) a “relevant Board member” means any Board member or former Board member of the company or an associated company,
- (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant Board member in connection with that Board member’s duties or powers in relation to the Institute, any associated company or any pension fund or employees’ share scheme of the company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.