

BY-LAWS

1. Interpretation and Definitions

1.1 In the interpretation of these By-laws -

1.1.1 words and expressions in the male gender shall include the female gender, and words and expressions in the singular shall include the plural and vice versa, unless inconsistent with the subject or context; and

1.1.2 words defined in the Constitution of the Institute shall have the same meaning in these By-laws, unless otherwise specified or inconsistent with the subject and context.

1.2 In these By-laws, unless inconsistent with the subject and context:

1.2.1 **“Board Secretary”** means the Board Secretary of the Institute and shall include the person who holds the appointment from time to time by whatever title the person may be known.

1.2.2 **“Casual vacancy”** means a vacancy on the Board arising from the death, resignation, disqualification or removal of a member before the expiry of his term of office.

1.2.3 **“District Association”** means an association of members of all categories resident in a District, which has been determined as such by the Board.

1.2.4 **“IRBA”** means the Independent Regulatory Board for Auditors established by the Auditing Professions Act, No. 26 of 2005.

1.2.5 **“Management Committee” (MANCO)** means the management team of the Institute composed of the Chief Executive and senior members of the Institute staff appointed to the Management Committee team from time to time.

1.2.6 **“Member in Practice”** means a member resident in the Republic who holds himself out to the public as being in practice to provide professional services.

1.2.7 **“Member not in Practice”** means any member resident in the Republic who is not in practice.

1.2.8 **“Profession”** means the accountancy profession and ‘professional’ and ‘professional work’ shall be construed accordingly, but shall also include work performed by an affiliate in his professional domain, as appropriate.

- 1.2.9 **“Professional incompetence”** means the performance of professional work, whether as a principal, employee, director or as an individual, incompetently to such an extent or on such a number of occasions as to fall significantly short of the standards to be expected of a member, associate, affiliate, trainee accountant or student, as the case may be.
- 1.2.10 **“Professional misconduct”** includes, but is not confined to, any serious act, default or omission, whether in the course of professional work, or not, that is likely to bring discredit on the person concerned or the Institute or the profession or any serious failure to meet the standards to be expected of a member, associate, affiliate, trainee accountant or student, as the case may be.
- 1.2.11 **“Region”** means a geographical area in the Republic, as determined by the Board from time to time which has been designated by the Board as a region of the Institute under the By-laws, corresponding with the nine provinces of the Republic, these being;
- 1.2.11.1 **“Western Region”** consisting of the Western Cape Province
- 1.2.11.2 **“Southern Region”** consisting of the Eastern Cape Province
- 1.2.11.3 **“Eastern Region”** consisting of the KwaZulu-Natal Province
- 1.2.11.4 **“Central Region”** consisting of the Free State, Northern Cape and North West Provinces
- 1.2.11.5 **“Northern Region”** consisting of the Gauteng, Mpumalanga and Limpopo Provinces
- 1.2.12 **“Registered address”** means the address of each person in any category of membership recorded from time to time in the membership register (the register) referred to in By-laws 2 and 3.
- 1.2.13 **“Registered auditor”** means an individual or firm registered with the Independent Regulatory Board for Auditors (IRBA), established in terms of Section 3 of the Auditing Profession Act No 26 of 2005.
- 1.2.14 **“Secretariat”** means the officers and employees of the Institute appointed by the Board or the Chief Executive as more fully described in By-Law 10.
- 1.2.15 **“Statements of Membership Obligations” (SMO)** mean the seven numbered statements of membership obligations (SMO 1 to SMO 7 inclusive) issued by IFAC, as amended from time to time, and any other such issued by IFAC, which IFAC member bodies are required to comply with in accordance with paragraph 2.3.b of the Constitution of IFAC.

- 1.2.16 “**Super Majority**” means a requirement for a proposal to gain a specified greater level of support than a 50% simple majority.
- 1.2.17 “**Unsatisfactory professional conduct**” includes, but is not limited to, any act, default or omission, whether in the course of professional work, or not that falls below the standard to be expected of a member, associate, affiliate, trainee accountant (Learner) or student, as the case may be.

PART A – GENERAL PROVISIONS

2. Membership Register

- 2.1 The Institute shall maintain a register in which is recorded the name, postal address, electronic address, if any, and such other particulars as the Board may from time to time require to be provided by every person in every category of membership. In the event of any person ceasing to be a person in any category of membership for any reason whatsoever, all information relating to that person shall be deleted from the register.
- 2.2 All information relating to any person in any category of membership whose death has been established to the satisfaction of the Board shall be deleted from the register.
- 2.3 The Institute shall be entitled to convert any hard copy documentation received from persons of all categories of membership to electronic format for storage and other purposes relevant to the maintenance of the register and to use any form of internet, cloud or other electronic means of data creation, storage and retrieval in the administration and management of the register.
- 2.4 At least two separate backup copies of the register shall be maintained. One such copy shall be lodged off-site with a secure dedicated off-site service provider.
- 2.5 Subject to the provisions of legislation, all information held by the Institute in respect of the registration of members of all categories shall –
- 2.5.1 be made available to the public, provided that all requirements of the Promotion of Access to Information Act No 2 of 2000 have been met; and
- 2.5.2 be kept for five years from the date of its receipt by the Institute or for such other period as may be determined by the Board from time to time.

2.6 Any record, document or other information reproduced in hard copy from electronic storage and certified as such by the Chief Executive or by the officer or employee of the Institute authorised from time to time by the Chief Executive to perform this function, shall be afforded the same recognition and status as the original.

3. Registered address

3.1 Every person in every category of membership shall, when required to do so, provide the Secretariat with written notice of the information required for inclusion in the register in terms of By-law 2.1 above and shall notify the Institute of any change in such information as soon as reasonably practical and in any event within 60 days of the occurrence of such change. The postal and electronic addresses provided under the requirements of this clause shall be deemed to be the registered addresses of the provider and such postal address shall be the *domicilium citandi et executandi* of the person concerned. Any notice required under the Constitution, these By-laws, the Code of Conduct, Rules, Regulations and other provisions to be given to members of all categories may be given by sending it to such member, at either of his registered postal or electronic addresses and any such notice shall be deemed to have been served at the time and date when it was sent. The addresses in the register at the date of commencement of these By-laws shall be deemed to be the registered addresses of registrants until notification of change is received under this By-law.

3.2 Without prejudice to the generality of By-law 3.1, every ATC shall, when required to do so, provide the Secretariat with written notice of the name and business address of the entity with which each learner under the supervision of the ATC is employed and the provisions of By-law 3.1 shall apply *mutatis mutandis* to ATCs.

4. Membership and other certificates

4.1 All membership certificates issued to members of all categories shall be in the form prescribed by the Board from time to time and shall be and remain the property of the Institute. Every member in every category of membership shall be entitled to receive from the Institute and retain in his possession a certificate appropriate to his category of membership, provided that in the event of suspension of, or exclusion from, membership for any reason, such certificate shall be delivered up to the Secretariat on demand.

4.2 The provisions of By-law 4.1 shall apply equally to any other certificates issued to any member of any category, provided that such other certificates shall be delivered up to the Secretariat on demand not only in the event of suspension of, or exclusion from, membership, but also in the

event that the holder of such certificate ceases to be entitled to hold same, or if the certificate lapses or expires.

5. The Board

- 5.1 The Board shall consist of the persons elected, appointed, co-opted and serving *ex officio* from time to time in terms of paragraph 5 of the Constitution and shall have the duties, powers and functions set forth in paragraph 6 and other provisions of the Constitution.
- 5.2 Each Regional Association shall forward the names of three of its members for consideration of selection by the Nominations Committee (NOMCOM) as the candidate recommended for appointment to the Board under paragraph 5.1.1 of the Constitution.
- 5.3 Persons co-opted or appointed under paragraph 5.1.5 and 5.2 of the Constitution shall not serve prescribed terms of office, but shall serve for such period during the pleasure of the Board.
- 5.4 Subject to the provisions of By-laws 5.5 to 5.7 and 5.9 to 5.12, the term of office of Board members shall be four years and, subject to the provisions of By-law 5.7 below, no Board member shall serve more than two terms (eight years), as defined in By-law 5.8 below. On completion of two terms of office, whether consecutive or not, a Board member shall cease to be a member of the Board and may not serve again as such.
- 5.5 The term of office of the Chairman shall be two years and no Chairman shall serve in that capacity for more than one term. At the end of the Chairman's term of office, he shall cease to be a member of the Board and may not serve again as such.
- 5.6 The term of office of the Vice-chairman shall be one year and no Vice-chairman shall serve in that capacity for more than two terms.
- 5.7 A person otherwise eligible for election as Chairman or Vice-chairman (or, in the case of the Vice-chairman, re-election) shall not be barred from election or re-election or from completing his term of office as Chairman or Vice-chairman by the operation of the provisions of By-law 5.4 above restricting service on the Board to a maximum of eight years.
- 5.8 In the interpretation of By-laws 5.4, 5.5, 5.6 and 5.7 above, years shall be deemed to run from the end of the annual general meeting of the Institute in any one year to the end of the annual general meeting in the following year and terms of office shall commence at the end of the annual general meeting at which the Board member is elected, re-elected or otherwise appointed or re-appointed.

- 5.9 A casual vacancy occurring in respect of a member appointed under paragraph 5.1.1 of the Constitution shall be filled by a replacement appointed by the Board in consultation with the NOMCOM. A person appointed under the provisions of this paragraph shall serve until the expiry of the unexpired term of office of his predecessor, when he shall stand down and the resulting vacancy shall be filled by application of the provisions of By-law 5.2.
- 5.10 A person who has served as a Board member under the provisions of By-law 5.9 shall, if otherwise eligible, be eligible for re-election under By-law 5.2 or for election or appointment under any other applicable provision of the Constitution or the By-laws, provided that By-law 5.4 shall apply as though he had served a full term of four years at the expiry of the unexpired term of office of his predecessor.
- 5.11 A casual vacancy occurring among those Board members appointed under paragraph 5.1.2 of the Constitution shall be filled by a replacement nominated by ABASA for appointment in consultation with the NOMCOM. A person appointed as a replacement under the provisions of this paragraph shall be deemed to have served a full term of four years at the expiry of the unexpired term of office of his predecessor.
- 5.12 A casual vacancy occurring among Board members elected under paragraph 5.1.3 of the Constitution shall be filled by a person appointed *ad interim* by the Board on the recommendation of the NOMCOM and such person shall serve until the first annual general meeting of the Institute following such appointment, when he shall be put forward for election by the members in accordance with the provisions of paragraph 5.1.3 of the Constitution. In relation to a person appointed *ad interim* under this By-law, the two terms (eight year) maximum service period laid down in By-law 5.4 shall be deemed to run from the date of his election by the members at the annual general meeting following his appointment.
- 5.13 A member of the Board shall at all times act in the best interests of the Institute as a whole and, without prejudice to the foregoing generality, a member appointed under paragraph 5.1.1 or 5.1.2 of the Constitution shall subordinate loyalties to, and the interests of, his constituency to the greater good of the Institute.
- 5.14 A person shall not be eligible for election, co-option or appointment to the Board if –
- 5.14.1 he is declared mentally ill or suffering from mental defect or is incapable of managing his affairs; or
 - 5.14.2 he has been sequestered provisionally or finally and has not been rehabilitated or if he surrenders his estate for the benefit of his creditors or makes an offer of compromise to his creditors; or

- 5.14.3 he is convicted in the Republic or elsewhere of any criminal offence which, in the opinion of the Board, is of a disgraceful or dishonourable nature, and a period of ten years has not elapsed; or
 - 5.14.4 he has, within the previous ten years, under the disciplinary processes of the Institute, been excluded from membership of the Institute or been fined more than an amount to be determined from time to time by the Board; or
 - 5.14.5 he has, within the previous ten years, under the disciplinary processes of any other professional body, been excluded from membership of that body; or
 - 5.14.6 he ceases to be a resident of the Republic.
- 5.15 Notwithstanding the foregoing provisions relating to the terms of office of Board members and related provisions, any member of the Board shall cease to be a member thereof if –
- 5.15.1 he is declared insane or incapable of managing his affairs; or
 - 5.15.2 he is sequestered, provisionally or finally or surrenders his estate for the benefit of his creditors or makes an offer of compromise to his creditors; or
 - 5.15.3 he resigns his office by notice in writing to the Board; or
 - 5.15.4 he is absent from two consecutive Board meetings without prior written apology or good reason; or
 - 5.15.5 he ceases for any reason whatever to be a member of the Institute and, for the avoidance of doubt, this By-law shall apply to every Board member who is a member of the Institute when he becomes a Board member, whether elected, co-opted or otherwise appointed to the Board; or
 - 5.15.6 he is, under the disciplinary processes of the Institute, fined more than an amount to be determined from time to time by the Board and published for the information of members and the public; or
 - 5.15.7 he ceases to be a resident of the Republic.
- 5.16 If, for any reason, a constituency shall fail to put forward candidates for consideration of appointment to the Board or to make an appointment, as the case may be, or the number of Board members is otherwise smaller than the number specified in paragraph 5.1.1 of the Constitution or temporarily ceases to be compliant with the fifty percent rule in paragraph 5.1.1 thereof, the Board shall continue to have full authority to exercise the powers and implement its duties and functions under the Constitution, By-laws, Rules, Codes of Conduct, and other provisions issued under the Constitution.

- 5.17 The Board shall appoint a member of the Management Committee to act as an alternate for the Chief Executive at meetings of the Board, the Audit and Risk Committee (ARC), the Executive Committee and the NOMCOM.
- 5.18 The Board shall appoint a Board Secretary whose duties shall include the fostering of high standards of Corporate Governance, the development and enhancement of corporate and administrative processes and such other duties as the Board shall from time to time prescribe.

6. Meetings of the Board

- 6.1 The term of office of the Board shall begin at the end of each annual general meeting and end at the conclusion of the annual general meeting in the following year.
- 6.2. The Board shall meet at least four times during the course of each term of office at such times and places as it shall determine.
- 6.3 The quorum of the Board shall be the number of voting Board members comprising a majority of the Board as constituted at the time.
- 6.4 All questions and other issues arising at a Board meeting, other than those specified in the Constitution as requiring a super majority, shall be decided by a simple majority of those voting members in attendance and the chairman shall not have a casting vote in addition to his deliberative vote.
- 6.5 A written resolution signed by all the members of the Board shall have the same validity as a resolution passed at a duly convened and constituted meeting of the Board.
- 6.6 A meeting of the Board shall be deemed to be duly constituted if verbal or written notice is given by the Board Secretary to all members not less than 14 days prior to the date of the meeting and the meeting is quorate in terms of By-Law 6.3
- 6.7 Notwithstanding the period of notice specified in By-Law 6.6, a lesser period of notice may be given in case of urgency.
- 6.8 Any member of the Board may require the Board Secretary to call a meeting of the Board and the provisions of By-Laws 6.6 and 6.7 shall apply to any such meeting

7. Executive Committee (EXCO)

- 7.1 The EXCO shall be composed of
- 7.1.1 the Chairman;

7.1.2 the Vice-chairman;

7.1.3 the Chief Executive, who shall be a voting member with the right to be heard;

7.1.4 two other Board members appointed by the Board.

7.2 The Chief Executive shall be entitled to invite any member of the Secretariat to any meeting of the Executive Committee and any such invitee shall have the right to be heard, but may not vote.

7.3 The Board shall determine the powers and processes of the Executive Committee and the Executive Committee shall have only those powers that the Board may from time to time delegate to it on such terms and conditions as it deems fit.

8. Chairman of meetings

The Chairman of the Institute or, in his absence, the Vice-chairman shall preside over all general meetings of the Institute, meetings of the Board and meetings of the Executive Committee. In the absence of the Chairman or the Vice-chairman, the members present at the meeting shall elect a chairman for that meeting from their own number.

9. Minutes of Board meetings, general meetings and committee meetings

The Board shall cause proper minutes to be kept of all Board meetings, general meetings of members of the Institute and all meetings of committees of the Board. These may all be stored in electronic format and the provisions of By-law 2.3 shall apply to the storage of minutes. Such minutes shall be kept in accordance with the requirements of law and otherwise for such period as the Board may from time to time determine.

10. Delegation of duties by the Chief Executive

Subject to other provisions of the Constitution and By-laws, the Chief Executive may delegate any of his functions to another officer or employee of the Institute.

11. National office

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

12. Nominations Committee (NOMCOM)

The composition, function, powers and duties of the NOMCOM shall be as stated from time to time in its terms of reference.

13. Audit and Risk Committee (ARC)

The composition, function, powers and duties of the ARC shall be as stated from time to time in its terms of reference.

14. Regional Associations

The primary role of the Regional Associations is to work with the Institute to implement national strategy and facilitate the active participation of members of Regional Associations in technical, networking, knowledge sharing and social and community based activities at regional and district level.

15. Regional Association Committees

The composition, function, powers and duties of the Regional Association Committee shall be as stated from time to time in its terms of reference.

16. District Association Committees

The composition, function, powers and duties of the District Association Committee shall be as stated from time to time in its terms of reference.

17. General Provisions relating to Committees

- 17.1 The provisions of By-law 17 shall, unless otherwise specified, apply to all committees established by the Board under the Constitution.
- 17.2 The Board may appoint a member of a committee as Chairman of that committee. Should the Board not appoint a member as Chairman, the committee shall appoint a Chairman from their own number. Should a Chairman appointed under By-law 17 not be present or be otherwise unable to act at any particular meeting, the committee shall appoint one of their own number in attendance to act as Chairman in his absence.
- 17.3 Notwithstanding the provisions of By-law 17.2, the members of each Regional Association Committee and District Association Committee shall appoint a Chairman of that Committee from their own number. Should a Chairman appointed under this paragraph not be present or be otherwise unable to act at any particular meeting, the committee shall appoint one of their own number to act as Chairman in his absence.
- 17.4 Subject to the provisions of By-law 32 concerning the execution of monitoring, investigative and disciplinary powers –
- 17.4.1 all committees shall operate within, and in accordance with, the scope of the mandate and in compliance with any instruction issued by the Board.
- 17.4.2 the Board may delegate to a committee so established such powers as it may deem fit and may amend or revoke same as it sees fit.
- 17.4.3 the Board shall issue terms of reference to each committee so established and each such committee shall keep its terms of reference under review and obtain the approval of the Board for any proposed amendments thereof.

18. Annual Integrated Report and Financial Statements and Audit

- 18.1 The Board shall ensure that –
- 18.1.1 proper records are kept of all financial transactions of the Institute;

- 18.1.2 an annual integrated report and financial statements are prepared and audited by a registered auditor appointed by the members of the Institute on the recommendation of the Board at the preceding annual general meeting.

PART B – GENERAL MEMBERSHIP PROVISIONS

19. Members

- 19.1 The categories of membership of the Institute shall be –
- 19.1.1 Member, including ATC, foreign member, life member, non-resident member and reciprocal member;
 - 19.1.2 Associate;
 - 19.1.3 Affiliate;
 - 19.1.4 Trainee Accountant;
 - 19.1.5 Student;
 - 19.1.6 any other category which the Board may from time to time establish.
- 19.2 An Honorary Member is not a member of any category of membership of the Institute, his status being that of a non-member who, in recognition of his meritorious service directly or indirectly benefiting the Institute or the profession, has been elected to honorary membership of the Institute during the pleasure of the Board.

20. Designations

- 20.1 Members shall be entitled to use the designation 'Professional Accountant (SA)'. No person in any other category of membership may use that designation. Persons in each category of membership will be entitled to use the designation of the category to which they belong, in conjunction with the name of the South African Institute of Professional Accountants or the acronym 'SAIPA'.
- 20.2 Honorary members may use the designation 'Honorary Member' in conjunction with the name of the South African Institute of Professional Accountants or the acronym 'SAIPA'.
- 20.3 The Board may prescribe in Regulations the circumstances in which a firm may use the designation 'Professional Accountants (SA)' and the terms and conditions applicable to such use.

20.4 The Board may prescribe in Regulations the circumstances in which any new or other designations or descriptions may be used by natural persons or firms whether generally or in relation to specific professional activities.

21. Privileges and Obligations of Membership

21.1 Every person shall, on admission to membership, receive a certificate appropriate to his category of membership under the seal of the Institute.

21.2 Every person shall, on admission to any category of membership, sign a legally binding undertaking –

21.2.1 to comply with the provisions of the Constitution, By-laws, Rules, Code of Conduct, Regulations and other provisions issued from time to time by the Board insofar as applicable to his category of membership;

21.2.2 to pay on demand or within any applicable period of grace permitted by the Board by or under the By-laws, any monies payable to the Institute including, but not limited to, any fee, subscription, levy, charge for services or goods, fine or other penalty and any reimbursement of a payment undertaken by the Institute on his behalf or otherwise;

21.2.3 to supply to the Institute on demand such information as the Board may from time to time by Regulations require from members of his category of membership;

21.2.4 in the case of foreign or reciprocal members ordinarily resident outside the Republic to comply with the Constitution, By-laws and other pronouncements and requirements of their mother member body or other member body having jurisdiction over them, as the case may be.

21.3 Every member engaging in practice with a person in any other category of membership shall use his best endeavours to ensure that the person in such other category conforms to the standards applicable to members.

22. Subscriptions

22.1 Without prejudice to the generality of By-law 21.2.2, every member of the Institute, other than Honorary or Life members, and every member in other categories of membership 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 so determined, the annual subscription shall be due on the first day of January in each year and shall be payable during that month.

22.2 The Board may in its discretion waive or reduce the annual subscription and/or entrance fee of a member in any category of membership.

23. Consequences of non-payment of monies due to the Institute

23.1 Failure to pay any sums due to the Institute in accordance with any provisions of or under the By-laws or other monies of fines whatsoever due to the Institute shall –

23.1.1 render the member or person in any other category of membership liable to exclusion from membership without further notice or with effect from such date as the Board or Committee or individual acting on authority of the Board shall direct;

23.1.2 result in immediate loss of 'good standing' status and, in the case of a member, deprive that member of his right to vote at general meetings of the Institute;

23.1.3 result in immediate loss of any practice or other rights flowing from payment of fees or subscriptions;

23.1.4 result in immediate loss of access to services provided by the Institute.

23.2 A person excluded from membership under the provisions of By-law 23.1 shall be entitled to re-instatement in membership if, within 3 months of the date of his exclusion under By-law 23.1, he submits a written application to the Board along with full payment of all amounts due, together with such administrative fee as the Board shall prescribe.

23.3 A person excluded from membership under the provisions of By-law 23.1 who submits a written application for re-instatement after the expiry of the period of grace provided for in By-law 23.2 may, in the absolute discretion of the Board, be re-instated on such terms and conditions as the Board may consider appropriate, including, but not limited to, payment of all amounts due and becoming due during the elapsed period, together with such administrative fees as the Board shall prescribe and fulfilment of all conditions and requirements for requalification and/or retraining before readmission.

24. Recognition of other Professional Accountancy Bodies

24.1 The Board shall, in its absolute discretion, have power to admit to membership of the Institute as a member any natural person who is a qualified member in good standing of –

- 24.1.1 any other professional accountancy body which is a member of IFAC and with which it has concluded a reciprocal membership agreement, on such terms and conditions as shall have been mutually agreed with that body;
- 24.1.2 any other professional accountancy body which is a member body of IFAC, on such terms and conditions as the Board may consider appropriate and subject to other applicable legal and/or professional requirements in the Republic.

25. Application for membership

- 25.1 Application for membership of the Institute shall be made to the Board on the prescribed application form appropriate to the category of membership, and each applicant shall:
 - 25.1.1 pay the applicable entrance fee and the subscription for the current year as determined from time to time;
 - 25.1.2 certify in the prescribed form that the information given by him therein is true and correct in every detail; and
 - 25.1.3 satisfy the Board in such a manner as it may require that he meets all requirements prescribed by the Board for admission to the category of membership for which application is made, that he is a fit and proper person to be admitted to membership and that he is not less than eighteen years of age, or emancipated.

26. Refusal of admission

Any refusal of admission to membership may be appealed to a tribunal established for that purpose by the Board.

27. Exclusion from membership

Without prejudice to the application of the provisions relating to obligations of membership and liability to disciplinary action in the By-laws, rules, codes of conduct, regulations and other provisions –

- 27.1 A person in any category of membership shall be liable to exclusion from membership if, subsequent to his admission –
 - 27.1.1 he is removed from an office of trust on account of misconduct; or
 - 27.1.2 he is convicted of a crime of dishonesty 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 and published by the Board for the information of the members of all categories; or

27.1.3 he becomes incapacitated to the extent that he is unable to perform the functions of a person of his category of membership and is unlikely to regain that capacity within a reasonable time.

27.2 A person in any category of membership shall be liable to exclusion from membership if, subsequent to his admission, he is excluded from membership of any other professional body or if, prior to his admission, he had been excluded from membership of such other body and did not fully disclose this in his application for admission to membership.

27.3 A member in any category of membership whose estate is provisionally or finally sequestrated subsequent to his admission to membership shall be excluded from membership, but may be reinstated if, within three months following such sequestration, he satisfies the Board that there are circumstances relating to the sequestration which would justify retaining that person in membership.

28. Resignation and readmission

28.1 A member in any category of membership may at any time resign from membership by writing to the Board and the resignation shall take effect from the date of receipt of such notice or the date specified therein.

28.2 A person who has resigned shall be entitled to be readmitted to membership, provided that he complies with the conditions of By-law 25.

28.3 A person excluded from membership may apply for re-admission on or after the expiry of a period of 5 years from the date of such exclusion, or earlier, if the grounds for his exclusion no longer exist or apply, by means of written application made to the Disciplinary Committee stating the grounds on which the application is based; provided that, in the event of refusal of such application, no further application may be made until the expiry of the period of two years from the date of such refusal.

29. Notification and publication of cessation of membership

The Board shall notify the membership of all categories of every suspension of, or exclusion from, any category of membership and may state and otherwise publish the grounds therefor, as it sees fit, having regard to the public interest and fairness to all interested parties on a case by case basis.

PART C – SPECIFIC MEMBERSHIP PROVISIONS

30. Life Members

30.1 The Board may elect a member as a Life Member when such member has throughout his membership, been a member in good standing and has –

30.1.1 been a Professional Accountant (SA) for a continuous period of forty years; or

30.1.2 attained the age of sixty-five years and has been a Professional Accountant (SA) for a continuous period of twenty-five years.

30.2 A Life Member retains all the rights and remains subject to all the obligations of membership other than liability for payment of annual subscriptions and, subject to fulfilment of such obligations, shall be entitled to lifelong status of life membership.

PART D – INVESTIGATIONS AND DISCIPLINE

31. Liability to investigation and disciplinary action

31.1 Without prejudice to the application of other provisions of these By-laws, liability to investigation and disciplinary action in accordance with the provisions of the By-laws, rules, codes of conduct, regulations and other provisions issued by the Board under the Constitution shall arise where a person in any category of membership is guilty of –

31.1.1 professional misconduct; and/or

31.1.2 professional incompetence; and/or

31.1.3 unsatisfactory professional conduct.

31.2 Liability to investigation and disciplinary action shall further arise in the case of a trainee accountant or a student who is accused of an act, default or omission that would render that

trainee accountant or student unfit to become a member, associate, or affiliate as the case may be or if that trainee accountant or student has, prior to admission to membership, been guilty of such an act, default or omission that was not fully disclosed to the Institute prior to admission to membership.

- 31.3 Liability to investigation and disciplinary action shall arise in respect of any act, default or omission under By-law 31.1 which occurred prior to admission to membership of the person concerned, but only in respect of any such act, default or omission that was not fully disclosed to the Institute before admission to membership.
- 31.4 A person who ceases to be a member of any category remains liable to investigation and disciplinary action as specified in By-law 31.1 which occurred while that person was in membership.
- 31.5 Factors which may be taken into account in considering whether a person in any category of membership is liable to investigation and disciplinary action include, but are not limited to –
- 31.5.1 failure to comply with an obligation of membership; and/or
 - 31.5.2 disregard of ethical or technical guidance; and/or
 - 31.5.3 any adverse finding by any Government or other statutory body or by another professional body or disciplinary or regulatory committee or authorised individual.
- 31.6 A person to whom By-law 31 applies shall be presumed to be guilty of professional misconduct if, during the currency of his membership, he is –
- 31.6.1 convicted in the Republic of an imprisonable offence; and/or
 - 31.6.2 convicted in another country of an imprisonable offence; and/or
 - 31.6.3 disqualified in the Republic, or elsewhere, from acting as a director.

32. Monitoring and Enforcement Powers

- 32.1 The Institute shall have all powers necessary for effective monitoring and enforcement of compliance by members of all categories with the obligations of membership.
- 32.2 The monitoring, investigative and disciplinary powers referred to in the Constitution and these By-laws shall be exercised by such committees, panels, tribunals and individuals as the Board shall establish or appoint under authority of the Constitution and these By-laws.
- 32.3 The committees, panels and tribunals established, and individuals appointed, under By-law 32.2 to exercise the powers of the Institute in relation to investigation and discipline shall have available the expertise and adequate financial and other resource necessary to enable timely

investigative and disciplinary action and shall exercise their respective powers in conformity with the provisions of SMO 6 (Investigation and Discipline), as amended from time to time, and any other SMO referred to therein.

32.4 A person in any category of membership who fails to cooperate in any investigation under these By-laws and to respond promptly to all related communications or who, following due investigation, is found to have committed a breach of By-law 31 or other applicable provision of these By-laws shall be liable to one or more of the following penalties –

32.4.1 a verbal warning;

32.4.2 a written warning;

32.4.3 a final written warning;

32.4.4 a financial penalty;

32.4.5 suspension or withdrawal of any certificate, licence, permit or other authorisation or the imposition of conditions thereon;

32.4.6 disqualification from holding any such certificate, licence, permit or other authorisation;

32.4.7 the imposition of conditions on continuing membership;

32.4.8 a requirement to give undertakings in relation to continuing membership;

32.4.9 suspension of membership for a period not exceeding one year;

32.4.10 exclusion from membership.

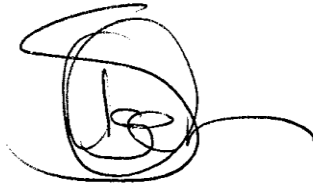
32.5 A trainee accountant or student who, following due investigation, is found to have committed a breach of By-law 31.2, may be liable to exclusion from membership and to a prohibition on future admission to any category of membership of the Institute.

32.6 The Institute may make such order against a member of any category as it deems fit and proper for payment of its costs in respect of any investigation and disciplinary action or the monitoring and enforcement of compliance with the obligations of membership.

33. Rights of representation and appeal

Without prejudice to the generality of By-law 32.3, in respect of compliance with the aforementioned SMO, defendants shall have the rights of representation and appeal provided for therein.

Signed at Midrand on this 12th day of June 2013 by:



Shirley Olsen

Chairman of the South African Institute of Professional Accountants (SAIPA)

(Who warrants being duly authorised sign on behalf of SAIPA)

Signed at Midrand on this 12th day of June 2013 by:



Shahied Daniels

Chief Executive of the South African Institute of Professional Accountants (SAIPA)

(Who warrants being duly authorised sign on behalf of SAIPA)