

Notice of Annual General Meeting

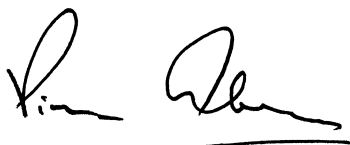
Notice is hereby given that the 2017 Annual General Meeting of The Institute of Chartered Secretaries and Administrators (Institute) will be held at 6.45pm (British Summer Time) on Wednesday, 4 October 2017 at 1 Wimpole Street, London, W1G 0AE, United Kingdom to transact the following business:

1. To receive and consider the report of the Council on the business of the Institute for the year ended 30 June 2017 as set out in Appendix A to this notice.
2. To receive comprehensive financial statements of the Institute for the year ended 30 June 2017 as set out in Appendix B to this notice.
3. That, subject to such amendments as Her Majesty in Council may require, the preamble of the Institute's Charter be amended as set out in Appendix C to this notice.
4. That, subject to such amendments as Her Majesty in Council may require, article 4, paragraph (j) of the Institute's Charter be amended as set out in Appendix C to this notice.
5. That, subject to such amendments as Her Majesty in Council may require, article 6 of the Institute's Charter be amended as set out in Appendix C to this notice.
6. That, subject to such amendments as Her Majesty in Council may require, article 9 of the Institute's Charter be amended as set out in Appendix C to this notice.
7. That, subject to such amendments as Her Majesty in Council may require, articles 10 to 22 of the Institute's Charter be amended to provide for the new class of member to be called Affiliated Member, as set out in Appendix C to this notice.
8. That, subject to such amendments as Her Majesty in Council may require, the Institute's byelaws be amended to give effect to a number of housekeeping changes, as set out in Appendix D to this notice.
9. That, subject to the proposed amendments to the Royal Charter set out in Resolution 7 of this notice being approved, and subject to such amendments as Her Majesty in Council may require, the Institute's byelaws be amended to give effect to the new class of members to be called Affiliated Members, as set out in Appendix E to this notice.
10. That, subject to such amendments as Her Majesty in Council may require, the Institute's byelaws be amended to give effect to the new designation to be called Chartered Governance Professional, as set out in Appendix F to this notice.
11. That, subject to such amendments as Her Majesty in Council may require, the Secretary shall be authorised to consecutively re-number the Institute's byelaws (as amended after voting on Resolutions 8, 9 and 10) and update the internal cross-references correspondingly, as set out in Appendix G.

12. That the Secretary be authorised to incorporate any amendments to the Charter as may be required by Her Majesty in Council which do not materially affect the intent and meaning of the proposed amendments to the Charter as set out in Resolutions 3 to 7.

13. That the Secretary be authorised to incorporate any amendments to the byelaws as may be required by Her Majesty in Council which do not materially affect the intent and meaning of the proposed amendments to the byelaws as set out in Resolutions 8 to 10.

By order of the Council of the Institute.



Simon Osborne FCIS
Secretary
10 August 2017

Notes not forming part of the resolutions:

1. The Council of the Institute has appointed Electoral Reform Services Limited as scrutineers of the annual general meeting for the purposes set out in the byelaws.
2. In order to be passed, resolutions 1, 2, 11, 12 and 13 require a simple majority of the members voting (in person or by proxy) on a poll taken in such a manner as the person chairing the meeting directs.
3. In order to be passed, resolutions 3, 4, 5, 6 and 7 require a majority of not less than three quarters of the members voting (in person or by proxy) on a poll taken in such a manner as the person chairing the meeting directs.
4. In order to be passed, resolutions 8, 9 and 10 require a majority of not less than two-thirds of the members voting (in person or by proxy) on a poll taken in such a manner as the person chairing the meeting directs.
5. A member entitled to attend and vote at the meeting may appoint a proxy to attend, speak and vote on their behalf. A proxy must be a member of the Institute who is entitled to vote.

Explanatory notes

Explanation of the recommended amendments to the Charter and byelaws

There is one significant change in the recommended amendments to the Charter and some housekeeping changes. These are:

- A new class of membership, Affiliated Members, is being added to the existing classes of Fellows, Associates and Honorary Fellows. The recommended changes in the Charter principally include the creation of the new class, with eligibility requirements, rights and entitlements and limitations on voting rights provided for in the byelaws. A limitation on Affiliated Members' voting rights is comprehensively addressed via recommended changes to the byelaws as outlined below.
- Clarifying that the appointment process, title and functions of the Secretary and Chief Executive are provided for in the byelaws and that the precise titles of the Secretary or Chief Executive can be determined by the Council.

There are two significant changes in the recommended amendments to the byelaws as well as some housekeeping changes. These are:

- Changes to implement the new Affiliated Members class including: eligibility, voting entitlements and limitations and other rights. Further related changes are to achieve consistency in the language for eligibility requirements for Fellows, Associates and Affiliated Members.
- A second professional designation called Chartered Governance Professional is being added to rank alongside the existing Chartered Secretary designation. A person must be an Associate or Fellow and have passed the required examinations to call themselves a Chartered Governance Professional.
- Changes to implement the appointment process of the Secretary and Chief Executive, clarify indemnity provisions, ensure that members of the Professional Standards Committee are Fellows, and remove redundant transition provisions.

The amendments to the Charter that Members are requested to approve are as follows:

- (i) To amend the Preamble to correct some omissions.
- (ii) To amend Articles 4 and 6.
- (iii) To amend Article 9 to allow for the Chief Executive to be titled in a different way if necessary and to provide in the byelaws for the Council to determine the terms and conditions of the Secretary and Chief Executive.
- (iv) To insert a new Article 10 and delete Article 12 so that the byelaws contain the provisions to determine the conditions governing membership for all current and any future classes of membership.

- (v) To amend renumbered Article 11 and Articles 13 and 14 to give effect to the new class of members to be called Affiliated Members. This change is proposed to enable the Institute to meet the needs of a wider range of professionals, in particular people who are earlier in their careers.
- (vi) To amend Article 15 to give the Council the ability to limit the voting or participation rights of members, which is to be read in conjunction with recommended amendments to Articles 19, 20, 21 and 22 that protect the rights of Fellows and Associates. The purpose of these amendments is to ensure that control of the Institute remains in the hands of Fellows and Associates.
- (vii) Amendments to Articles 19, 20, 21 and 22 are to clarify that only Fellows and Associates can requisition a General Meeting, amend the byelaws, amend the Charter or surrender the Charter. These are essential amendments to ensure that control of the Institute remains in the hands of Chartered Members.

Explanation of amendments to the byelaws that Members are requested to approve are as follows:

1. The first of two significant sets of amendments being proposed to the byelaws (contained in Resolution 9) is a new class of members to be called Affiliated Members. Affiliated Members are best described as part-qualified and as such it is proposed that they would not have the same level of rights and entitlements as Associates and Fellows that are fully qualified. This new class of members is proposed in order to widen the appeal of the Institute and to encourage younger individuals to join. The principal changes to the byelaws refer to an amendment to byelaw 4.1 that specifies the new class, new byelaw 8A that outlines the eligibility requirements, rights and entitlements of Affiliated Members. There are also amendments to byelaws 27.3, 30.1, 30.4, 30.5, 33.1, 33.2, 33.3, 34.2, 37.1, 38.2 and 38.10 that limit their rights in regard to General Meetings, in byelaws 45.1 and 48.1 that deal with the composition of the Council and election of Councillors and byelaws 62.3 and 63.1 that deal with Divisional Committees.
 - (a) Amendments have been proposed for the definitions in byelaw 1.1 to introduce the term 'eligible member' and to introduce the term Affiliated Member. This change defines only Fellows and Associates as 'eligible members'. The term is used primarily in byelaws that refer to General Meetings, voting and the composition of Council. Amendments to byelaws 1.2 and 4.1 introduce the term 'Affiliated Member'.
 - (b) It is possible that some Divisions may not want to offer Affiliated Membership and so new byelaws 8A.1, 8A.2 and 8A.3 have been proposed to enable Divisions that wish to proceed to opt-in to offer this new class and to limit the ability of an Affiliated Member to transfer only to those Divisions that offer the new class.
 - (c) New byelaw 8A.4 lists the eligibility requirements for Affiliated Members and mirrors the structure of Fellows and Associates, including passing prescribed examinations, a fit and proper test and professional experience. New byelaw 8A.5 lists the entitlements of Affiliated Members, in particular that they cannot describe themselves as Chartered and new byelaw 8A.6 prohibits Affiliated Members holding themselves out to regulators as having the same skills and experience as Fellows or Associates.
 - (d) A change to byelaw 10.1 extends the entitlement to receiving a membership certificate to all members, not just Fellows and Associates.

- (e) Because Affiliated Members are part-qualified but also members, byelaw 20 – Part-qualified persons- is redundant and has been deleted. In conjunction with this, byelaw 21 concerning ‘affiliated persons’ will be renamed as ‘subscribers’. Amendments to byelaws 21.3 and 21.4 replace the term ‘affiliated persons’ with ‘subscribers’.
 - (f) New byelaw 21.5 renames persons currently described as ‘affiliates’, to ‘subscribers’ until they are admitted as Affiliated Members.
 - (g) Control of the Institute is to remain in the hands of Fellows and Associates and so comprehensive changes have been made to General Meetings, voting and other participation entitlements and Council composition. Amendments to byelaws 30.1, 30.4 and 30.5 limit the requisitioning of a General Meeting to Fellows and Associates. Amendments to byelaws 33.1 and 33.3 limit forming a quorum to only Fellows and Associates. Amendments to byelaw 34.2 limits chairing a meeting to only Fellows and Associates. Amendments to byelaw 37.1 limit proposing amendments, except in limited circumstances (37.5), to only eligible members. Amendments to byelaws 27.3 and 38.2 limit voting, except where the matter directly affects the rights and obligations of existing Affiliated Members, to only eligible members. And finally, new byelaw 38.10 restricts voting rights for Affiliated Members to only the rights and obligations of existing Affiliated Members.
 - (h) Amendments to byelaw 44.1 address the Council’s ability to determine regulations relating to graduates and subscribers.
 - (i) Membership of Council is to remain limited to Eligible Fellows and membership is to be determined only by eligible members. Amendments to byelaw 45.1 prescribe that only eligible members can be counted to determine a Division’s representation on Council. Finally, amendments to byelaw 48.1 limit voting for Councillors to only eligible members. An amendment to byelaw 60.5 does allow Affiliated Members to be a member of a committee subject to a cap of one-third.
 - (j) Amendments to byelaw 63.1 (c) allow Affiliated Members to be elected by a Divisional Committee.
 - (k) An amendment to byelaw 65.2 restricts membership of the Professional Standards Committee to Fellow Members.
 - (l) Amendments to byelaws 80.1 and 80.2 are as a consequence of deleting part-qualified persons from the byelaws.
2. The second of two significant sets of amendments being proposed to the byelaws is the introduction of a second professional designation to be called Chartered Governance Professional. The purpose of introducing the designation is to attract those individuals working in governance roles that are not necessarily company secretarial roles and to encourage them to become members of the Institute. The Qualifying Programme that will underpin the Chartered Governance Professional designation will involve extensive training in risk management and enterprise risk management, as well as more content on sector-specific governance such as health or public sector governance. The principal changes are in byelaws 5.3, 6.1 and new byelaw 6.2 to enact the designation for Fellows and Associates; in byelaws 13.7, 14.3, 17.1, 17.2, 17.3, 17.5 and 18.6 governing usage of the designation by members; and in byelaws 64.1 and 68.2 governing qualifying standards.

- (m) New byelaws 5.3 and 6.2 provide for Fellows and Associates to use the designations Chartered Secretary or Chartered Governance Professional if they have passed the required examinations and fulfilled the other requirements of membership. A person can use both designations if they have passed the required examinations or fulfilled other requirements determined by Council. The amendments to byelaw 6.1 adds the Chartered Governance Professional designation to the experience requirement to become an Associate.
 - (n) Amendments to byelaws 13.7 and 14.3 prohibit a person from using the Chartered Governance Professional designation if they have allowed their membership to lapse or if they resign their membership.
 - (o) New byelaw 17.2 and byelaws 17.3 and 17.5 govern the use of practising certificates and extend the regulation of them to the Chartered Governance Professional designation.
 - (p) Byelaw 18.6 governs the entitlements of graduates and the amendment prohibits graduates using the term Chartered Governance Professional.
 - (q) Byelaws 64.1, 64.2, 68.2 and 69.2 will impose the requirement that the Qualifying Programme for the Chartered Governance Professional must be of a sufficient standard and that Divisions must meet the required standard in their offering of the qualification for both designations.
3. In addition to the two significant sets of changes proposed for the byelaws there are also a number of housekeeping amendments that are proposed involving correcting typographical errors, definitions, the relationship between the Charter, byelaws and other instruments governed by the byelaws, clarifying entitlements for Honorary Fellows, amending the nomenclature for agreements between the Council and Divisional Committees, clarifying descriptions of the Chief Executive, and deleting some transitional provisions in determining Council composition.
- (r) The amendment to byelaw 1.1 addresses erroneous cross referencing to the Charter
 - (s) The amendment to byelaw 1.2 introduces the interchangeability of the titles Chief Executive and Director General and replaces the term 'affiliated persons' with 'subscriber'.
 - (t) Amendments to byelaws 1.7, 2, and 2.1 address the relationship between the Charter and the byelaws.
 - (u) Amendments to byelaw 8.1 and byelaw 13.1 improve consistency of language for Honorary Fellows, to be similar to that of Fellows and Associates, and clarify that Honorary Fellows do not owe subscriptions.
 - (v) Byelaw 16 ('People who cannot be members') will be deleted.
 - (w) Amendments to byelaws 61.1, 61.4, 61.6 and 86.1 replace the term 'Agreement' with 'Instrument' in regard to delegating authority to Divisional Committees.
 - (x) Amendments to byelaw 71.4 state that the titles of Director General and Chief Executive can be interchangeable.
 - (y) Byelaws 61.8 has been deleted and 82.5 has been amended to clarify language used and specify the UKRIAT Committee.

(z) Byelaws 85.1, 85.2 and 85.3 are deleted in their entirety as they refer to transition arrangements that addressed succession planning issues stemming from the changes to the manner in which the composition of Council is determined.

(aa) Other miscellaneous amendments occur that address erroneous references or grammatical errors across the Charter and byelaws.

4. For ease of reference, the proposed amendments set out in Appendices D, E and F have so far as possible retained the numbering of the existing byelaws other than those to be inserted and deleted. However, it is proposed to then tidy up the numbering when the amended set of byelaws is published. Resolution 11 allows for the Institute to consecutively re-number the byelaws as amended by Resolutions 8, 9 and 10, so that new byelaw 8A would become byelaw 9 and there are no gaps in numbering after existing byelaws 16 and 20 are deleted. This will entail updating the cross-references in the text to match the new byelaw numbers. Members have been provided with Appendices showing all the revisions, including the proposed new numbering.