

CHARTERED INSTITUTE OF DIRECTORS OF NIGERIA
(ESTABLISHMENT) BILL, 2017
ARRANGEMENT OF CLAUSES

Clause:

PART I - SCOPE AND ESTABLISHMENT OF THE INSTITUTE

1. Application
2. Establishment of the Institute
3. Objectives of the Institute
4. Offices of the Institute
5. Composition and tenure of members of the Council
6. Powers of the Council
7. Resignation, cessation or removal of members of the council
8. Tenure of president and vice presidents of the Institute

PART II - STAFF OF THE INSTITUTE

9. Appointment of Registrar and other staff of the Institute
10. Qualification of the Registrar
11. Duties of the Registrar
12. Appointment of Legal Adviser and Treasurer of the Institute
13. Other staff of the Institute
14. Removal of Registrar or other staff of the Institute

PART III - STRUCTURES OF THE INSTITUTE

15. Departments, Divisions and Units of the Institute
16. Management committee of the Institute

PART IV - FUNCTIONS OF THE INSTITUTE

17. Functions of the Institute

PART V - MEMBERSHIP OF THE INSTITUTE

18. Membership of the Institute
19. Conditions for registration
20. Approval of qualification
21. Qualified members before commencement of the Bill

PART VI - REGISTER OF MEMBERS

22. Register of members
23. Correction of register
24. Restoration of names of suspended or expelled members

PART VII - FINANCIAL PROVISIONS

25. Fund of the Institute
26. Application of the Fund
27. Borrowing power
28. Accounts and audit

PART VIII - ESTABLISHMENT, POWERS, AND PROCEDURE OF

INVESTIGATING PANEL AND DISCIPLINARY TRIBUNAL

29. Establishment of investigating Panel
30. Establishment of Disciplinary Tribunal
31. Penalties for unprofessional conduct
32. Offences

PART IX - MISCELLANEOUS

33. Provision for Library
34. Pre-action notice
35. Indemnity
36. Insurance
37. Regulation
38. Interpretation
39. Citation

SCHEDULE

A BILL

FOR

AN ACT TO ESTABLISH CHARTERED INSTITUTE OF DIRECTORS OF NIGERIA, TO SERVE AS A REGULATORY BODY FOR PERSONS SERVING AS DIRECTORS IN BOTH PUBLIC AND PRIVATE SECTORS, TO DETERMINING THE STANDARDS OF KNOWLEDGE AND SKILLS TO BE ATTAINED BY PERSONS SEEKING TO BECOME DIRECTORS, TO MAKE PROVISION FOR CONTINUOUS TRAINING AND DEVELOPMENT OF THE DIRECTORS, TO ENSURE PROFESSIONALISM AND PROMOTE CORPORATE GOVERNANCE VALUES BY THE DIRECTORS AND FOR RELATED MATTERS

Sponsored by Hon. Garba Ibrahim Mohammed

[] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria as follows:

1 PART I - SCOPE AND ESTABLISHMENT OF THE INSTITUTE

2 1. This Bill shall apply to:

Application

3 (a) persons serving as Directors in both public and private sectors;

4 (b) persons occupying the position of Director, by whatever
5 designation the office may be addressed; or

6 (c) a person who has the power to act on behalf of an Institution
7 without the prior express written approval of the Board or the regulatory
8 authority or subject only to certain limitations by the Board for substantial
9 financial transactions;

10 2.-(1) There is established a body to be known as the Chartered
11 Institute of Directors of Nigeria (in this Bill referred to as 'the Institute).

Establishment of
the Institute

12 (2) The Institute shall be a body corporate with perpetual
13 succession and a common seal and may sue or be sued in its corporate name.

14 (3) Subject to the provision of Land Use Act, the Institute shall
15 have power to acquire, hold or dispose of any property, movable and

1 immovable, for the purpose of carrying out any of its functions under this Bill.

2 (4) No part of the earnings of the Institute shall inure to the benefit of,
3 or be distributed to the Directors or officers, of the Institute, except where the
4 Institute is authorized by the Council to pay reasonable remuneration for
5 services rendered and to make payments and distributions in furtherance of,
6 and consistent with, the objectives of this Bill.

7 (5) The Institute shall not engage in any partisan activities nor shall
8 any Director or Officer of the Institute engage in such activities on behalf of the
9 Institute.

Objectives of
the Institute

10 3. The objectives of the Institute include:

11 (a) promoting practice of directorship in public and private sectors in
12 challenging and supportive environment;

13 (b) providing well educated directors specialist with critical thinking
14 and creative problem solving skills;

15 (c) preparing knowledgeable, skilled, culturally competent,
16 compassionate and reflective specialist corporate governance practitioners;

17 (d) collaborating with individuals, organizations, and agencies whose
18 interest is in building the human capacity of Nigeria's directors and corporate
19 governance with the aim of developing professional and technical know-how
20 and improving productivity;

21 (e) promoting high level of ethical standards in the practice of the
22 profession and skills that shall be attained by persons seeking to qualify as
23 members of the Institute;

24 (f) ensuring that its members maintain reputable and high standard of
25 conducts expected of any professional practice;

26 (g) providing for the training and examination of persons desiring to
27 become members of the Institute and to promote and protect the interests of its
28 members;

29 (h) arranging conferences, seminars, symposia and meetings for
30 discussions on practices related to the profession;

1 (i) ensuring the establishment and maintenance of a register of its
2 members as well as the publication of their lists from time to time;

3 (j) establishing a library that will enhance the study of the
4 profession in Nigeria and beyond; and

5 (k) performing such functions as are incidental to the objects or as
6 the Council may deem necessary for the attainment of all or any of its
7 functions under this Bill.

8 4. The Institute shall have its head office in the Federal Republic
9 of Nigeria and branch offices across the federation.

Offices of the
Institute

10 5.-(1) There is established for the Institute, a Governing Council
11 (in this Bill referred to as 'the Council') which shall be responsible for the
12 general administration and management of the Institute.

Composition and
Tenure of Office
of Council/
Members of the
Council

13 (2) The Council shall consist of:

14 (a) a President of the Institute, who shall be the Chairman;

15 (b) first Vice President of the Institute who shall be the Vice
16 Chairman;

17 (c) second Vice President of the Institute;

18 (d) the last three Presidents of the Institute;

19 (e) three Chairmen of branches of the Institute on a rotational basis;

20 (f) the Registrar of the Institute;

21 (g) the legal adviser;

22 (h) the treasurer;

23 (i) twelve (12) other elected members at the general meeting of the
24 Institute, 2/3 of the elected members would retire by rotation, subject to
25 reelection;

26 (j) a representative of:

27 (i) federal ministry responsible for trade and investment, not below
28 the rank of a Director, to be nominated by the Minister;

29 (ii) federal ministry responsible for education, not below the rank
30 of a Director, to be nominated by the Minister;

1 his absence, in the absence of all of them, the Council members shall choose
2 one amongst themselves to act until such vacancy is filled in accordance with
3 the provisions of this Bill.

4 (3) The President shall be the Chairman of the Council while first Vice
5 President shall be Vice Chairman of the Council.

6 PART II - STAFF OF THE INSTITUTE

Appointment of
Registrar and
other staff of
the Institute

7 9.-(1) There shall be appointed a Registrar for the Institute by the
8 Council, a fit and proper person who shall be the chief executive officer of the
9 Institute, and such other persons as the Council may, from time to time think
10 necessary to assist the Registrar in the performance of his function under this
11 Bill.

12 (2) The Registrar shall hold office for the term of three years, and,
13 subject to satisfactory performance, be eligible for re-appointment for further
14 term of three years and no more.

15 (3) The Registrar shall be reporting to the Council, and shall receive
16 such salary and allowances as approved by the Council.

Qualification
of the Registrar

17 10. A person shall be qualified to be appointed as Registrar of the
18 Institute if the Person:

19 (a) is a Director or fellow of the Institute;

20 (b) is a citizen of Nigeria;

21 (c) possesses relevant qualification from a recognized institution of
22 higher learning; and

23 (d) has at least required number of years and cognate experience in
24 relevant in the profession.

Duties of the
Registrar

25 11. The Registrar shall:

26 (a) abide by the duties assigned to the office in the letter of
27 appointment;

28 (b) superintend the affairs of the Institute;

29 (c) serve as the Secretary of the Council;

30 (d) prepare and maintain a register of the names, addresses,

1 qualifications, and such other particulars as may be specified in the rules of
2 the Institute;

3 (e) correct, in accordance with the Council's directions, any entry
4 in the register;

5 (f) make, from time to time, any necessary alteration to the
6 registered persons;

7 (g) remove from the register the name of any registered person who
8 has died;

9 (h) record the names of the members of the Institute who are in
10 default for more than six months in the payment of annual

11 **12.-(1)** There shall be appointed for the Institute a Legal Adviser
12 and Treasurer both of whom shall be officers appointed by Council on the
13 nomination of the recommendation of the Registrar and their tenure expires
14 with the tenure the President.

Appointment of
Legal Adviser
and Treasurer of
the Institute

15 (2) The Legal Adviser shall:

16 (a) be a Legal Practitioner having not less than Ten (10) years of
17 cognate experience in corporate law or related areas of law;

18 (b) provide legal advice to the Institute;

19 (c) serve as secretary to the Council; and

20 (d) be answerable to the Council.

21 (3) The Treasurer shall:

22 (a) be a chartered accountant for a period of, at least, five years;

23 (b) keep, regularly, the financial records of the Institute;

24 (c) be a co-signatory to the Bank accounts of the Institute; and

25 (d) take part in the budget processes of the Institute.

26 **13.** The Council shall appoint management staff for the Institute,

Other staff of
the Institute

27 while other staff of the Institute shall be appointed by the Management

28 Committee of the Institute, which shall consist of the Registrar and all

29 Directors of the Institute, in line with staff regulation issued by the Council.

Removal of
Registrar or
other staff of
the Institute

1 14. The Registrar or other staff of the Institute may be removed from
2 office in line with disciplinary procedure issued by the Council.

3 PART III - STRUCTURES OF THE INSTITUTE

Department,
division and
units of the
Institute

4 15.-(1) There is established for the Institute such number of,
5 Departments, Divisions, and Units as determined by the Council.

6 (2) Each Department shall be headed by a Director who shall be
7 professionally qualified person appointed through competitive process by the
8 Institute.

9 (3) While each Divisions, and Units shall be headed by Deputy
10 Director and Assistant Director who shall be professionally qualified person
11 appointed through competitive process by the Council.

Management
committee of
the Institute

12 16.-(1) There is established for the Institute, a Management
13 Committee Management Committee comprising of the Registrar and all the
14 Directors of the Institute.

15 (2) The Registrar of the Institute shall be the head of the Committee
16 and the Director responsible for human capital shall be the Secretary of the
17 Committee.

18 (3) The Management Committee shall be responsible for the general
19 administration of the Institute, particularly, in recruitment, promotion, and
20 discipline of staff of the Institute.

21 PART IV - FUNCTIONS OF THE INSTITUTE

Functions of
the Institute

22 17. The Institute shall be responsible for:

23 (a) determining the standards of knowledge and skill to be attained by
24 persons seeking to be member of this Institute;

25 (b) establishing, maintaining and improving the standards of
26 performance of all those powers and duties which are attached to the offices or
27 position of Directors under whatever guise;

28 (c) advancing the theory and' practice of good corporate governance
29 of public, private sectors in all their aspects and in line with international best
30 practices;

1 (d) promoting and maintaining observance of high standards of
2 ethical values and professional conduct, including certification and
3 accreditation, amongst persons seeking to hold or holding the office of
4 Director;

5 (e) building a body of professionals who are skilled,
6 knowledgeable and experienced in administration; and

7 (f) securing admission into membership of the Institute in
8 accordance with the provisions of this Bill, including the establishment,
9 registration and maintenance of a Register of Associates, Ordinary, and
10 Honorary members, Ordinary and Honorary Fellows, Honorary and
11 Chartered Directors or any other category of members;

12 (g) facilitating the exchange of views and opinions, promote a
13 better understanding, and inform the public as well as express professional
14 opinion on subject of directorship, good governance, corporate governance,
15 corporate management and the problems connected therewith;

16 (h) organising and conducting examinations for members and
17 prospective members, in areas requiring the understanding of the evolving
18 rights, obligations and liabilities of Directors, the theory and practice of
19 good corporate governance;

20 (i) preventing fraudulent and unfair trade practices relating to
21 corporate governance;

22 (j) establishing and maintaining a library for the use of members
23 and the public, and to collect, print, publish and distribute to members and
24 others, newspapers, periodicals, journals, books, circulars, leaflets and
25 information;

26 (k) recommending to government department or other body
27 corporate, regarding any changes in the law relating to Directors, corporate
28 governance; and promote and support any policies calculated to improve
29 any aspect of corporate governance; and

1 (l) promoting such other functions in furtherance of the objectives of
2 this Bill.

3 PART V - MEMBERSHIP OF THE INSTITUTE

Membership
of the Institute

4 **18.**-(1) Subject to the provisions of this Bill, the category of persons to
5 be admitted as members of the Institute are:

6 (a) associate member;

7 (b) ordinary member;

8 (c) fellow;

9 (d) honorary fellow;

10 (e) distinguished fellow;

11 (f) chartered Director; and

12 (g) such other category that may be created by the Council from time
13 to time.

14 (2) The requirements for each category of persons to be admitted as
15 member of the Institute under sub-clause (1) of this Clause are provided in the
16 regulation as issued by the Council.

17 (3) Where a person is registered as a member of this Institute under
18 this Clause, the person shall be entitled to use such suffix after his name as
19 provided in the regulation of the Council.

Conditions for
registration

20 **19.** Upon fulfilment of requirement for registration under Clause 15
21 of this Bill, the applicant must:

22 (a) be of good character;

23 (b) attain the age of 21 years;

24 (c) not be an ex-convict, of an offence involving fraud or dishonesty,
25 within and outside Nigeria;

26 (d) be of sound mental state of mind; and

27 (e) not be adjudged as bankrupt.

Approval of
qualification

28 **20.**-(1) The Council may, for the purpose of this Bill, accredit
29 institutions offering training which is intended for persons who are seeking to
30 become members of the Institute or for efficient performance of duties, as

1 members of the Institute.

2 (2) The Council may, where it appears that the standard of studies
3 or required facilities, have fallen below the minimum standard, suspend or
4 revoke the accreditation given to the Institution, until such a time the
5 Institution met the minimum standard of the Council.

6 (3) Before withdrawal or suspension of accreditation under this
7 Clause, the Council shall:

8 (a) give sufficient notice, to the affected institution, of Council's
9 intention to revoke or suspend the accreditation; and

10 (b) give the affected institution opportunity to make presentation
11 relating to the issues raised under paragraph (a) of this Clause.

12 21. Any person, who qualified to be registered as a member of this
13 Institute before the commencement of this Bill, shall immediately after the
14 commencement of the Bill or at the time provided by the Council, apply in
15 an appropriate form for registration under the qualified category.

Qualified
members before
commencement
of the Bill

16 PART VI - REGISTER OF MEMBERS

17 22. The Register shall consist of such parts as may be necessary to
18 reflect the category of Associates, Ordinary Members, Fellows, Honorary
19 Members, etc.

Register of
members

20 23. The Registrar, with the approval of the Council, shall be
21 responsible for effecting corrections in the Register of members, the
22 corrections shall include:

Correction of
register

23 (a) correction of wrong entry;

24 (b) deregister the name of deceased member of the Institute;

25 (c) to remove the names of members that failed to comply with the
26 provision of this Bill;

27 (d) remove the names of suspended or expelled members of the
28 Institute; and

29 (e) remove the name of a member of the Institute for any other
30 reason which the Council considered sufficient, for the furtherance of the

1 (d) any other expenses approved by the Council in the discharge of
2 its functions under this Bill.

3 (2) The Institute, with the approval of the Council, may also invest
4 its funds in equities and such other areas that the Council believe it will bring
5 a better returns for the Institute.

6 27. The Institute may with the approval of the Council, from time Borrowing power
7 to time, borrow money for the purposes of the Institute and any interest
8 payable on the moneys so borrowed shall be paid out of the Fund.

9 28.-(1) The Institute shall keep proper books of records in respect Accounts and
10 of each financial year; and the Council shall cause the accounts to be audited audit
11 by a firm of Chartered Accountants, not later than the first quarter of each
12 following year, and when audited, the Council shall submit the accounts to
13 the members of the Institute for approval at the next Annual General
14 Meeting.

15 (2) The Auditor, for the purpose of sub-clause (1) of this Clause,
16 shall be appointed at the Annual General Meeting of the Institute, and the
17 auditor so appointed shall not be a member of Council.

18 PART VIII - ESTABLISHMENT, POWERS AND PROCEDURE OF

19 INVESTIGATING PANEL AND DISCIPLINARY TRIBUNAL

20 29.-(1) There is establish a body to be known as Investigating Establishment
21 Panel (in this Bill referred to as "the Panel"), which shall be responsible for: of Investigating
22 Panel

22 (a) conducting preliminary investigation into any case of alleged
23 misconduct by a member, or which, for any other reason, shall be subject of
24 proceedings before a tribunal to be established under this Bill; and

25 (b) deciding whether the case is to be referred to the Tribunal.

26 (2) The Panel, to be appointed by the Council, shall consist of three
27 (3) members and one of them shall be a legal practitioner of not less than
28 seven years (7) post call experience, and a member of the Council.

29 30.-(1) There is establish a body to be known as Disciplinary Establishment of
30 Tribunal (in this Bill referred to as "the Tribunal"), which shall be Disciplinary
Tribunal

1 responsible for considering and determining any case referred to it by the Panel
2 established under Clause 29 of this Bill and any other case of which the
3 Tribunal has cognizance of under the provisions of this Bill.

4 (2) The Tribunal shall consist of a Chairman and four (4) other
5 members including a legal practitioner of not less than ten years (10) post call
6 experience, who are not members of the Council, to be appointed by the
7 Council.

8 (3) Appeal from the decision of the Tribunal shall be made to the
9 Federal High Court.

Penalties for
unprofessional
conduct

10 **31. Where-**

11 (a) a person registered under this Bill is found to be guilty by the
12 Disciplinary Tribunal of infamous conduct in any professional respect;

13 (b) a person is convicted of an offence, by any court or tribunal in
14 Nigeria or elsewhere having power for imprisonment, which in the opinion of
15 the Disciplinary Tribunal is incompatible with the status of a member of the
16 profession; or

17 (c) the Disciplinary Tribunal is satisfied that the name of any person
18 has been fraudulently registered, the Disciplinary Tribunal may, give direction
19 reprimanding the person or ordering the Registrar to strike out the name of the
20 person off the register.

Offences

21 **32. A person who:**

22 (1) (a) make misrepresentation of qualifications, experience, or any
23 other thing related to the requirement for registration of members to the
24 Institute and obtain registration;

25 (b) violated any of the provisions contained in the rules of
26 professional conduct;

27 (c) parade himself as a member of this Institute and practice the
28 profession without valid registration;

29 (d) violates any of the provision of this Bill, commits an offence and
30 shall be liable on conviction to the fine of five hundred thousand Naira or

1 imprisonment for a term not exceeding 1 year or both.

2 (2) Where the offence is committed by a body corporate under the
3 connivance or negligence of a Director, Council Member, Secretary,
4 employee, or agent of the body corporate:

5 (a) the body corporate shall pay fine of N1,000,000.00; and

6 (b) the Director, Council Member, Secretary, employee, or agent of
7 the body corporate, shall be punished under sub-clause (1) of this Clause.

8 (3) The offences under this clause shall be tried by the Federal High
9 Court.

10 PART IX - MISCELLANEOUS

11 33. The Institute shall:

Provision for
library

12 (a) establish and maintain a library comprising books and
13 publications for the advancement of knowledge of the profession; and

14 (b) encourage research and publication.

15 34. A person who has a cause of action against the Institute shall:

Pre-action notice

16 (a) give the Institute three months' notice, in writing, of intention to
17 commence an action, disclosing the cause of action and served the processes
18 to the principal office of the Institute; and

19 (b) commence the legal action within two years from the date the
20 cause of action arose.

21 35.-(1) In the event that any person who is or was a director, officer,
22 employee, trustee, authorized representative, or agent of the Institute, acting
23 in good faith and in a manner reasonably believed to be in the best interests
24 of the Institute, has been made party, or is threatened to be made a party, to
25 any action or proceeding by reason of being a representative, whether civil,
26 criminal, administrative, or investigative, such representative may be
27 indemnified against reasonable expenses and liabilities, including attorney
28 fees actually and reasonably incurred.

Indemnity

29 (2) The indemnification provided under this Clause shall not be
30 deemed exclusive of any other rights to which those seeking

1 indemnification may be entitled under any law, and any such indemnification
2 shall continue as to a person who has ceased to be a director, officer, employee,
3 trustee, authorized representative, or agent, and shall inure to the benefit of the
4 heirs, executors, and administrators of such person.

5 (3) Indemnification made pursuant to this Clause shall not be made in
6 any case where the act, or failure to act, giving rise to the claim for
7 indemnification is determined by a court to have constituted wilful misconduct
8 or recklessness of the director, officer, employee, trustee, authorized
9 representative, or agent of the Institute.

Insurance

10 36. The Institute shall have power to-

11 (a) require members to take up insurance;

12 (b) maintain such liability insurance or bonding scheme for which
13 members shall subscribe to and pay for; and

14 (c) maintain such other funds for protection of third parties against
15 director's liability for gross negligence, breach of fiduciary obligations, fraud,
16 defalcation, etc;

Regulation

17 37. The Council may subject to the provision of this Bill, make
18 regulation for-

19 (a) proceedings of the investigating Panel and the Tribunal;

20 (b) relating to the mode of appointing the President of the Institute;

21 (c) determining the procedure of becoming a member of the Institute;

22 (d) for disciplinary procedure for members of the Institute;

23 (e) appointment, promotion and discipline of staff of the Institute;

24 (f) all categories of training suitable for the purposes of the objectives
25 of this Bill;

26 (g) prescribing the amount and due date for payment of annual
27 subscriptions and for any other levy;

28 (h) restricting right to practice as Directors, in default of payment of
29 the annual subscriptions;

30 (i) establishing the professional scale of rates chargeable by members

- 1 for the various types of Directorial services;
- 2 (j) making of applications for enrolment or registration and
3 providing for the evidence to be produced in support of such applications;
- 4 (k) specifying the particulars for notification to the Registrar, by
5 the person to whom any registered particulars relate, or any change in those;
- 6 (l) authorizing a registered person to have any qualification which,
7 in relation to the relevant division of the profession, is either an approved
8 qualification or an accepted qualification for the purpose of this Bill,
9 registered in relations to his name in addition to, or as he may elect in
10 substitution for any other qualifications so registered; and
- 11 (m) any other thing for effective implementation of the provision
12 of this Bill.

13 **38. In this Bill-**

Interpretation

- 14 "Appointed Day" means the commencement date of this Bill;
- 15 "Council" means the Council established as the governing body of the
16 Institute;
- 17 "Director" includes all categories of members of the Institute;
- 18 "Enrolled" means admission to membership;
- 19 "Fees" includes annual subscriptions and licence fees;
- 20 "Fund" includes all income, investments and liquid assets of the Institute;
- 21 "Panel" means Investigating Panel of the Institute;
- 22 "Un-enrolled person" means a person not admitted to membership under
23 this bill.

- 24 **39. This Bill may be cited as Chartered Institute of Directors of** Citation
25 **Nigeria (Establishment) Bill, 2017.**

1 SCHEDULES

2 FIRST SCHEDULE

3 [Clause 5 (3)]

4 SUPPLEMENTARY PROVISIONS RELATING TO THE COUNCIL

5 *Qualifications and tenure of office of members*

6 1. Subject to the provisions of the Bill and this schedule, a member of
7 the Council shall hold office for a period of two (2) years beginning from the
8 date of his election or nomination.

9 2. Any member of the Institute who ceases to be a member thereof
10 shall, if he is also a member of the Council, cease to be a member of the
11 Council.

12 3. Any elected member may, by notice in writing under his hand
13 addressed to the President, resign his office, and any nominated member may,
14 with the consent of the nominating authority, likewise so resign his office.

15 4. A person who retires from or otherwise ceases to be an elected
16 member of the Council shall be eligible again to become a member of the
17 Council, and any nominated member may be likewise re-appointed.

18 5. Member of the Council shall at its meeting next before the Annual
19 General Meeting of the Institute arrange for the Four (4) members of the
20 Council elected and longest in office to retire at the Annual General Meeting.

21 6. Election to the Council shall be held in such manner as may be
22 prescribed by Rules and Regulations made by the Council and until so
23 prescribed they shall be decided by a show of hands.

24 7. If for any reason there is a vacation of office by a member and:

25 (a) such member was appointed by the appointing authority, that
26 appointing authority shall appoint another person from the establishment in
27 respect of which the vacancy occurs; or

28 (b) such member was elected, the Council may, if the time between
29 the unexpired portion of the term of office and the next general meeting of the
30 Institute appears to warrant the filling of the vacancy, co-opt another member

1 for such time as aforesaid.

2 *Powers of Council*

3 The Council shall have power to do anything which in its opinion is
4 considered to facilitate the carrying on of the functions of the Institute.

5 *Quorum of the Council and Committees*

6 The quorum of the Council shall be Nine (9); and the quorum of a
7 Committee of the Council shall be as determined by the Council.

8 *Meetings of the Institute*

9 1. The Council shall convene the Annual General Meeting of the
10 Institute not later than six (6) months after the year end or on such other days
11 as the Council may, from time to time, determine, in so far as not more than
12 fifteen (15) months shall elapse between the respective dates of the two
13 meetings.

14 2. An extraordinary general meeting of the Institute may be
15 convened by the Council at any time; and if not less than twenty (20)
16 members of the Institute require it by notice in writing addressed to the
17 President of the Institute setting out the objects of the proposed meeting, the
18 President of the Institute shall convene a an extraordinary general meeting
19 of the Institute for the purpose.

20 3. The quorum of any general meeting of the Institute shall be
21 twenty (20) members, and that of any extraordinary general meeting of the
22 Institute shall be twenty-five (25) members.

23 4. The notice of any general meeting of the Institute shall be 21
24 days and that of any extraordinary general meeting shall be 14 days.

25 5. Notices and reports may be issued and served on members
26 electronically.

27 *Meeting of the Council*

28 1. Subject to the provisions of the Rules and Regulations of the
29 Institute, the Council shall have its regular meetings whenever it is
30 summoned by the Chairman; if notice in writing is given to the Chairman by

1 not less than five (5) members of Council, the Chairman is required to summon
2 a meeting of the Council to be held within seven (7) days from the date on
3 which the notice is given,

4 2. At any meeting of the Council, the Chairman or in his absence, 1st
5 Vice Chairman shall preside; or in the absence of the 1st Vice Chairman, the
6 2nd Vice Chairman; but if all are absent after 30 minutes from the time the
7 meeting is scheduled to commence, the members present at the meeting shall
8 appoint one of their members to preside at that meeting.

9 3. Where the Council desires to obtain the advice of any person on a
10 particular matter, the Council may co-opt him/ her as a member for such period
11 as the Council deems fit; but a person who is a member by virtue of this sub-
12 paragraph shall not be entitled to vote at any meeting of the Council, and shall
13 not count towards a quorum.

14 4. Notwithstanding anything in the foregoing provisions of this
15 paragraph, the first meeting of the Council shall be summoned by the
16 Chairman, and the Council shall approve such directions as it deems fit as to the
17 procedure which shall be followed at the meetings.

18 *Committees*

19 1. The Council may appoint one or more Committees to carry out on
20 behalf of the Institute or the Council, such functions as the Council may
21 determine.

22 2. A Committee appointed under this paragraph shall any defect in
23 the appointment of a member of the Institute or of the Council or of a
24 Committee, or by reason that a person not entitled to do so took part in the
25 proceedings.

26 3. Any member of the Institute or of the Council, and any person
27 holding office on a Committee of the Council, who has a personal interest in
28 any contract, investigation, complaint, investigation or other related matters or
29 arrangements entered into or under consideration by the Council on behalf of
30 the Institute, or on behalf of the Council or a Committee thereof, shall forthwith

1 disclose his interest in writing to the President, the Council through the
2 Director General or the Chairman of the Committee as the case may be, and
3 shall not vote on any question relating to the matter, contract or arrangement.

4 4. A person shall not by reason only of his membership of the
5 Institute be required to disclose any interest relating solely to the audit of the
6 accounts of the Institute.

7 5. The Council shall have power to formulate policies on
8 governance, including conflict of interest, Council charter, whistle blowing,
9 etc. consist of the number of persons (including such non-members of
10 Council) determined by the Council, such persons shall hold office on the
11 Committee in accordance with the terms of the instrument of their
12 appointment.

13 6. A decision of a Committee of the Council shall be of no effect
14 until it is laid before and confirmed by the Council.

15 *Miscellaneous*

16 1. The fixing of the seal of the Institute shall be authenticated by
17 the signature of the President and the Secretary of the Institute or of some
18 other member of the Council authorized generally or specially by the
19 Institute to act for that purpose.

20 2. Any contract or instrument which, if made or executed by a
21 person not being a body corporate, would not be required to be under seal,
22 may be made or executed on behalf of the Institute or of the Council, as the
23 case may be, by any person generally or specially
24 authorised to act for that purpose by the Council.

25 3. Any document purporting to be a document duly executed
26 under the seal of the Institute shall be received in evidence and shall, unless
27 the contrary is proved, be deemed to be so executed.

28 4. The validity of any proceedings of the Institute or the Council or
29 a Committee of the Council shall not be affected by any vacancy in the
30 membership or by Council.

EXPLANATORY MEMORANDUM

This Bill seeks to establish Chartered Institute of Directors of Nigeria, to serve as a regulatory body for persons serving as Directors in both public and private sectors, to determining the standards of knowledge and skills to be attained by persons seeking to become directors, to make provision for continuous training and development of the Directors, to ensure professionalism and promote corporate governance values by the Directors.