



THE NATIONAL ASSEMBLY

FEDERAL REPUBLIC OF NIGERIA

**CHARTERED INSTITUTE OF DIRECTORS NIGERIA
(ESTABLISHMENT, ETC.) BILL, 2022**

[CONCURRED]

A BILL

FOR AN ACT TO ESTABLISH THE CHARTERED INSTITUTE OF DIRECTORS NIGERIA TO
PROVIDE PROFESSIONAL TRAINING TO DIRECTORS AND TO PROMOTE EFFECTIVE
GOVERNANCE, PUBLIC ACCOUNTABILITY, PROFESSIONAL EFFICIENCY AND
RELATED MATTERS, 2022

THIS BILL WAS PASSED BY THE SENATE ON TUESDAY, 6TH JULY, 2021

**THIS BILL WAS CONCURRED BY THE HOUSE OF REPRESENTATIVES ON TUESDAY,
16TH NOVEMBER, 2021**

CHARTERED INSTITUTE OF DIRECTORS NIGERIA (ESTABLISHMENT, ETC.) BILL, 2022



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A BILL

FOR AN ACT TO ESTABLISH THE CHARTERED INSTITUTE OF DIRECTORS NIGERIA TO PROVIDE PROFESSIONAL TRAINING TO DIRECTORS AND TO PROMOTE EFFECTIVE GOVERNANCE, PUBLIC ACCOUNTABILITY, PROFESSIONAL EFFICIENCY AND RELATED MATTERS, 2022

Commencement.

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

PART 1 – APPLICATION, OBJECTIVES AND ESTABLISHMENT OF THE INSTITUTE

Application

1. This Bill shall apply to:

- a. Members of the Institute.
- b. Persons performing the role of directors by whatever designation the office may deem appropriate to address the position.
- c. Persons who have the power to act on behalf of an institution without the prior express written approval of the Board subject only to certain limitations by the Board for substantial financial transactions.

2. 1. There shall be established a body to be known as the Chartered Institute of Directors Nigeria (in this Bill referred to as ‘the Institute’).

Establishment of the Institute

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

3. Subject to the provision of Land Use Act, the Institute shall have power to acquire, hold or dispose of any property, movable and immovable, for the purpose of carrying out any of its functions under this Bill.

4. The Institute shall not engage in any partisan activities nor shall any Director or Officer of the Institute engage in such activities on behalf of the Institute.

3. The objectives of the Institute are to:

Objectives of the Institute

- a. Promote the practice of good directorship in both the public and private sectors in Nigeria;
- b. Provide well-trained directors who are persons with critical and analytical thinking and creative problem-solving skills;
- c. Prepare knowledgeable, skilled, competent, capable and compassionate corporate governance practitioners;
- d. Collaborate with individuals, organizations, and agencies interested and committed to building the capacity of Nigeria’s directors and advocating for good corporate governance with the aim of developing professional and technical know-how and improving productivity and national development;
- e. Promote integrity, ethical leadership and standards in the conduct and behaviour of persons seeking to qualify as members of the Institute;
- f. Ensure that its members maintain a reputable and high standard of conduct expected of any professional practice;
- g. Provide for the training and examination of persons desiring to become members of the Institute and to promote and protect the interest of its members;
- h. Arrange conferences, seminars, symposia and meetings for discussion on practices related to

the profession;

- i. Ensure the establishment and maintenance of a register of its members as well as the publication of their lists from time to time; and
- j. Establish a library that will enhance the study of the profession in Nigeria and beyond.
- k. Perform such other functions as may be determined by Council from time to time, in furtherance of the realization of the objectives of the Institute.

4. The Institute shall:

Functions of the
Institute

- (a) Determine the standards of knowledge and skill to be attained by persons seeking to be members of the Institute;
- (b) Establish, maintain and periodically review the standards of performance of all the powers and duties attached to the offices and positions of members of the Institute;
- (c) Promote the theory and practice of good corporate governance amongst members in accordance with international best practice;
- (d) Ensure observance of high standards of ethical values and professional conduct, including certification and accreditation of members;
- (e) Build a body of professionals that are skilled and experienced in administration;
- (f) Regulate the admission of persons into the membership of the Institute in accordance with the provisions of this Bill, including the establishment, registration and maintenance of a Register for each category of members stipulated under this Bill;
- (g) Facilitate the exchange of ideas, to promote better understanding, and disseminate to the public professional opinions on the subject of directorship, good governance, corporate governance, corporate management and the problems associated therewith;
- (h) Organize and conduct examinations for members and prospective members, in the theory and practice of good corporate governance;
- (i) Establish and maintain a library for the use of members and the public, and collect, print, publish and distribute to members and the general public, newspapers, periodicals, journals, books, circulars and leaflets;
- (j) Make recommendations to the Government and other organizations on any changes in the law relating to Directors and corporate governance; and promote policies intended to improve corporate governance; and
- (k) Carry out such other functions in furtherance of the objectives of the Institute.

5. The Institute shall have its Head office in Abuja, Federal Capital Territory (FCT) and Branch Offices in each State Capital of the Federation.

Offices of the
Institute

6. (1) There is established for the Institute, a Governing Council (in this Bill referred to as 'The Council'), which shall be responsible for the general governance and oversight of the Institute.

Establishment,
Composition &
Tenure of the
Members of the
Governing Council

- (2) The Council shall consist of:
 - (a) the President of the Institute who shall be the Chairman;
 - (b) The 1st Vice President of the Institute who shall be the Vice-Chairman;
 - (c) The 2nd Vice President of the Institute;
 - (d) The last three past Presidents of the Institute;
 - (e) Three Chairmen of branches of the Institute on a rotational basis every two years;
 - (f) The Director-General of the Institute;
 - (g) The Honorary Legal Adviser;
 - (h) The Honorary Treasurer;
 - (i) Twelve (12) other elected members provided that one-third of these elected members would

retire by rotation at every Annual General Meeting but may be subject to re-election; and provided that no person shall be a Council member for more than 10 years;

(j) A representative of:

i. The Federal Ministry responsible for trade and investment, not below the rank of a Director, to be nominated by the Minister,

ii. The Federal Ministry responsible for education, not below the rank of Director, to be nominated by the Minister;

iii. The Securities and Exchange Commission, not below the rank of Director;

iv. The Corporate Affairs Commission, not below the rank of Director;

v. The Financial Reporting Council of Nigeria, not below the rank of a Director; and

vi. An academic not below the rank of a professor, to be appointed by the Council on the recommendation of the President

(3) The provisions set out in the schedule to this Bill shall have effect with respect to qualifications, tenure of office and meetings of the Council and other matters therein mentioned.

(4) All Council members shall act in a manner consistent with their obligations to the Institute and applicable laws, regardless of any other affiliation, membership or position.

7. The powers of the Council shall include to:

Powers of the Council.

a. Appoint and discipline the Director-General and other members of staff of the Institute;

b. Appoint and discipline the Secretary who shall report to the Council and the Director-General;

c. Approve the remuneration of staff of the Institute, and allowances of members of the Council;

d. Approve the recommendation, from the Director-General of the Institute, for the establishment of branch office (s) for the Institute;

e. Establish committees or relevant departments for the purpose of effective regulation and discharge of the administrative functions of the Institute under the Bill;

f. Issue rules or regulation for the Institute;

g. Prescribe costs or penalties for violation of any provision of the Bill;

h. Prescribe yearly dues for members of the Institute;

i. Enforce the provisions of this Bill;

j. Approve donations for charitable purposes; and

k. Do any other thing for the purpose of achieving the objectives of the Institute.

8. The President of the Institute and member of the Governing Council may resign their appointment by notice in writing addressed to the:

Resignation, Cessation and Removal of Members of the Council

(i) Governing Council in the case of the President; and

(ii) President, in the case of members of the Council.

(2) A member of the Council may cease his membership, if he:

(a) dies or becomes of unsound mind;

(b) becomes bankrupt;

(c) is convicted of a felony or any offence involving dishonesty;

(d) is guilty of serious misconduct in relation to the office; or

(e) is disqualified or suspended from practicing the profession.

(3) A member of the Council may be removed, at any time, from office by the Council, if the Council is satisfied that it is not in the interest of the Institute or the public that the member should

continue to hold office.

- (4) Where vacancy exists in the membership of the Council, the vacancy shall be filled;
- (a) In the case of an elected member, by conducting a bye-election; and
- (b) In the case of an appointed person, by appointing a person by the Council, on the recommendation of the President to fill the vacancy, from where the vacancy exists, to complete the remainder of the term of office of the predecessor, and such appointment shall be eligible for renewal for a further term, subject to satisfactory performance.

9. The President and two Vice Presidents shall be elected by the Council in accordance with the provisions of this Bill.
- (2) The President and the Vice Presidents shall hold office for a term of two (2) years each, from the date of their election.
 - (3) If a vacancy exists in the Office of the President, the 1st Vice President shall act in his stead for the unexpired term of his office. In the absence of the 1st Vice President, the 2nd Vice President shall act, and in the absence of all of them, the Council shall fill the vacancy in accordance with the provisions of this Bill.
 - (4) The President shall preside at the meetings of the Council. In the absence of the President, the First Vice President shall preside in his stead for the purpose of the meeting. In the absence of the 1st Vice President, the 2nd Vice President shall preside. In the absence of all of them, the Council shall choose one member from amongst themselves to preside at the meeting.

Election and Tenure of Offices of the President and the Vice Presidents of the Institute

10. (1) There shall be appointed for the Institute, a Honorary Legal Adviser and Honorary Treasurer, both of whom shall be appointed by the Council on the recommendation of the President and their tenure shall expire with the tenure of the President.
- (2) The Honorary Legal Adviser shall:
 - (a) be a legal practitioner, with a minimum of ten (10) years cognate experience in corporate Law and related fields of Law;
 - (b) provide legal advice to the Institute;
 - (c) be answerable to the Council.
 - (3) The Honorary Treasurer shall:
 - (a) be a Chartered Accountant with a minimum of ten (10) years cognate experience;
 - (b) keep the financial records of the Institute; and
 - (c) participate in the budget processes of the Institute.

Appointment of Honorary Legal Adviser and Honorary Treasurer for the Institute

11. PART II- STAFFS & EMPLOYEES OF THE INSTITUTE

There shall be appointed for the Institute a Director-General by the Council, who shall be the Chief Executive Officer of the Institute, and such other persons as the Council may, from time to time, deem necessary to assist the Director-General in the performance of the function of his office.

Appointment of Director-General and Other Staffs of the Institute

- a) The Director-General shall hold office for a term of four (4) years in the first instance and subject to satisfactory performance, be eligible for re-appointment for a further term of four (4) years and no more.
- b) The Director-General shall report to the Council, and shall receive such salary and allowances

as may be approved, from time to time, by the Council.

A person shall be qualified to be appointed as Director-General of the Institute if:

- a. he is a citizen of Nigeria;
- b. he possesses a minimum of a post graduate qualification in a field relevant to the objectives of the Institute, from a recognized institution of higher learning; and
- c. he has at least Ten (10) years cognate experience in the field relevant to the objectives of the Institute.

Qualification of the Director-General:

The Director-General shall:

- (a) be bound by the terms and condition of service contained in his letter of appointment.
- (b) be responsible for the general administration of the Institute;
- (c) from time to time, make necessary alteration in the register of members as may be directed by Council;
- (d) remove from the membership register, the name of any registered member who has ceased to be a member of the Institute in accordance with the provisions of Section 8(2)
- (e) keep records of the names of the members that are in default of payment of annual subscription for a consecutive period of six (6) months and take necessary actions, including removal of such member from the Register of Members as the Council may direct.

Functions and Duties of Director-General

The Director-General of the Institute may be removed from office in accordance with disciplinary procedure issued from time to time by the Council.

Removal of Director-General

12. There shall be appointed for the Institute, a Secretary, who shall serve as the Secretary to the Governing Council of the Institute.

Appointment of Secretary for the Institute

2. The Secretary to the Governing Council shall;

- a. be a legal practitioner with a minimum of Ten (10) years cognate experience in corporate law or related field of law; or
- b. be a Chartered Secretary with a minimum of Ten years (10) years cognate experience

The Secretary shall:

- a. Attend meetings of the Council and its Committees and provide all necessary secretarial services in respect of these meetings;
- b. Maintain register and other records required to be maintained by the Institute in compliance with the statutory provisions of the Companies and Allied Matters Act 2020 (CAMA)
- c. Provide proper returns and ensure requisite returns and notifications are given to the Corporate Affairs Commission (CAC) as required by CAMA
- d. Carry out such other assignments and duties as may be directed from time to time by the Council.

Functions and Duties of the Secretary:

The Secretary of the Institute may be removed from office in accordance with the disciplinary procedure issued from time to time by the Council.

Removal of Secretary of the

Institute

Establishment of
Management
Committee of the
Institute

13. (1) There is established for the Institute, a Management Committee, comprising the Director-General and all the Directors of the Institute.
- (2) The Director-General of the Institute shall be the Head of the Committee and the Director responsible for Human Capital shall be the Secretary of the Committee.
- (3) The Management Committee shall be responsible for the general administration of the Institute, including the recruitment, promotion and discipline of staff of the Institute.
- (4) Other Staff of the Institute may be removed from office in accordance with disciplinary procedure issued from time to time by the Council.

14. PART III – MEMBERSHIP OF THE INSTITUTE

(1) Subject to the provisions of this Bill, the category of persons to be admitted as members of the Institute are:

Categories of
Membership of
the Institute

- (a) Associate Member;
- (b) Member;
- (c) Fellow;
- (d) Honorary Fellow;
- (e) Distinguished Fellow;
- (f) Chartered Director; and
- (g) Such other category that may be created by the Council from time to time.

(2) The requirements for each category of persons to be admitted as members of the Institute under sub clause (1), of this clause shall be as prescribed in the regulation issued by the Council.

(3) Where a person is duly registered as a member of the Institute under this Act, the person shall be entitled to use such suffix after his name as may be provided in the regulation issued by the Council.

Subject to the provisions of Clause 14(2), the applicant shall:

- (a) be of good character;
- (b) have attained the age of 21 years;
- (c) not be convicted of any offence involving criminal act, fraud or dishonesty within and outside Nigeria;
- (d) be of sound mind;
- (e) not be adjudged a bankrupt; and
- (f) fulfil all requirements stipulated by the Council under this Bill.

Requirements for
Registration

15. PART IV - REGISTER OF MEMBERS

The Register of members shall be made of such parts as may be necessary to reflect the categories of members in accordance with the provisions of section 14(1) of this Bill.

Register of
Members

Subject to the approval of Council, the Director-General shall have the powers to effect necessary alterations in the Register of Members, and such alterations may include any of the following:

Alteration of
Register

- (a) correction of wrong entry;
- (b) de-registration of the name of deceased members of the Institute;
- (c) removal of names of members that failed to comply with the provisions of this Bill;
- (d) Removal of names of suspended or expelled members of the Institute; and
- (e) Removal of name of a member of the Institute for any reason as may be approved by the Council

in furtherance of the objectives of the Institute.

(1) Where the name of a member is removed from the Register on the account of an issue that can be rectified, upon rectification of such issue, or compliance with the law, the Council may direct the Director-General to restore the name of the member in the Register.

Restoration of
Names of
Suspended or
Expelled Members

(2) The Director-General shall publish from time to time updated register of members, in accordance with the directives of the Council under this Bill each edition of the Register shall be available at the principal office of the Institute for public view.

(3) The Register shall be made available for inspection by any member of the public during official hours.

16. PART V - FINANCIAL PROVISIONS

There shall be established for the Institute a fund into which shall be paid all monies due to the Institute including but not limited to the following:

Funds of the
Institute

(a) Annual subscriptions, levies or fees collected for services rendered by the Institute;

(b) Penalties imposed for violation of any provisions of this Bill, rules and regulations made thereunder.

(c) Donations from Government, philanthropists, and other Donor agencies and organisations made in furtherance of the objectives of the Institute.

17. (1) The Institute shall apply the Funds established under Clause 16 of this Bill on:

Application of
Funds

a. the general administration of the Institute;

b. The payment of salaries, remuneration and allowances of the Members of the Council, Director-General and other employees of the Institute;

c. Such expenses incurred for travelling and subsistence allowance by members of the Council and staff of the Institute as may be approved by Council

d. Any other expenses approved by the Council in the discharge of its functions under this Bill.

(2) Subject to the approval of the Council, the Institute, may invest Funds in equities and such other investment portfolios that may yield reasonable income to the Institute.

Subject to the approval of Council, the Institute may, from time to time, borrow money to carry out any assignment in furtherance of the objectives of the Institute.

Borrowing Power

(1) The Institute shall keep proper books of accounts or records in respect of each financial year and the Council shall cause the accounts to be audited by auditors, not later than the first quarter of the following year. The Council shall submit the audited accounts to the members of the Institute for approval at the next Annual General Meeting.

Accounts and
Audit

(2) The Auditors, for the purpose of subsection (1) of this section, shall be appointed at the Annual General Meeting of the Institute on the recommendation of the President and the Auditors so appointed shall not be members of the Council.

PART VI – ESTABLISHMENT, POWERS AND COMPOSITION OF INVESTIGATIVE PANEL AND DISCIPLINARY TRIBUNAL

18. (1) There is established for the Institute an Investigative Panel (in this Bill referred to as ‘The Panel’) Establishment of Investigative Panel
- The Panel shall have the powers to:
- (a) conduct preliminary investigation into any case of alleged misconduct by a member, which for any reason, shall be subject of proceedings before the tribunal to be established under this Bill; and;
 - (b) power to decide whether a prima facie case has been established; to be referred to the Tribunal for adjudication.
- a. Members of the Panel shall be appointed by the Council
 - b. The Panel shall consist of three (3) members, one of whom shall be a Legal Practitioner of not less than ten years (10) post-call experience and two others, one of whom must be a member of Council. Powers of the Investigative Panel
19. (1) Establishment Appointment & Composition of the Investigative Panel
- There is established for the institute a body to be known as the Disciplinary Tribunal (in this Bill referred to as ‘Tribunal’), which shall be responsible for considering and determining any case referred to it by the Investigative Panel established under S.17 of this Bill and any other case of which the Tribunal has taken cognisance of, under the provisions of this Bill Establishment of Disciplinary Tribunal
- (2). Appointment & Composition of the Investigative Panel
- Members of the Tribunal shall be appointed by the Council and shall consist of a Chairman and four (4) other members, one of whom shall be a legal practitioner with not less than ten years (10) post-call experience and the members shall not be members of the Council.
- (3). Powers and Procedure of the Disciplinary Tribunal
- The powers and procedures of the Tribunal shall be contained in the regulation issued by the Council from time to time.
- (4). Appeals arising from the decision of the Tribunal shall be made to the Federal High Court
20. 1. Offences Offences and Penalties for Unprofessional Conduct
- A member is guilty of unprofessional conduct, if such a member:
- (a) is convicted of a felony by any court of law in Nigeria or anywhere else for an offense which is incompatible with his status as a member.
 - (b) has been fraudulently registered, the Tribunal may reprimand the member or order the Director-General to strike out the name of the member from the Register.
 - (c) makes a misrepresentation of qualifications, experience, or any other thing relating to the requirement for registration of membership of the Institute and obtains registration;
 - (d) violates any of the provisions contained in the rules of professional conduct;
 - (e) violates any of the provisions of this Bill, commits an offence and shall be liable on conviction to a fine of N500,000.00 (Five Hundred Thousand Naira) or imprisonment for a term of not less

than 1 year or both.

2. Any person who is not a registered member of the Institute and fraudulently parades and practices as a member commits an offense and shall be liable on conviction to a fine of N500,000 or to imprisonment of a term of not less than 1 year or both.

3. The offences under this section shall be tried by the Federal High Court

PART VII. MISCELLANEOUS

The Institute shall:

21. a. establish and maintain a library comprising books and publications for the advancement of knowledge of the theory and practice of corporate governance and directorship
b. stimulate and promote research and publication on the theory and practice of corporate governance and directorship. Provision for Library
22. A person who has a cause of action against the Institute shall: Pre-action Notice
- (a) give the Institute three months' notice in writing of his intention to commence an action, disclosing the cause of action and serve the processes on a principal officer at the Head office of the Institute;
- (b) commence the legal action within two years from the date the cause of action arose.
23. (1) If any person who is or was a director, officer, employee, trustee, authorised representative, or agent of the Institute, acting in good faith and in a manner reasonably believed to be in the interest of the Institute, has been made a party, or is threatened to be made a party, to any action or proceeding by reason of being a representative, whether civil, criminal, administrative or investigative, such representative may be indemnified against reasonable expenses and liabilities, including attorney fees actually and reasonably incurred. Indemnity
- (2) The indemnity provided under this section shall not be deemed exclusive of any other rights to which those seeking indemnity may be entitled under any law, and any such indemnity shall continue to a person who has ceased to be a director, officer, employee trustee, authorised representative, or agent, and shall inure to the benefit of the heirs, executors, and administrators of such person.
- (3) The indemnity made pursuant to this section shall not be made in any case where the act or failure to act, giving rise to the claim for indemnity is determined by the court to have constituted wilful misconduct or recklessness of the director, officer, employee, trustee, authorised representative, or agent of the Institute.
24. The Institute shall have power to- Insurance
- (a) require members to take up insurance;
- (b) maintain such liability insurance or bonding scheme for which members shall subscribe to and pay for;
and
- c. maintain such other funds for the protection of third parties against director's liability for gross

negligence, breach of fiduciary obligations, fraud, defalcation, etc.

25. (1) Qualification of Members before Commencement of the Bill

Transitional
Provision

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

(2) All assets and liabilities held or incurred immediately before the commencement date of this Bill by or on behalf of the Institute of Directors Nigeria shall vest in the Chartered Institute of Directors Nigeria, established under this Bill and be held by it for the purpose of the Institute.

(3) The provision of the second schedule to this Bill shall have effect with respect to the matters arising from transfer of assets and liabilities to the Chartered Institute of Directors Nigeria, the properties of the Institute of Directors Nigeria and with respect to other matters mentioned in the schedule.

26. The Council may subject to the provisions of this Bill, make regulations, for-

Regulations

- a. the proceedings of the Panel and the Tribunal
- b. election of the President, Vice Presidents and other members of the Council;
- c. determine the procedure for becoming a member of the Institute;
- d. the disciplinary procedure for members of the Institute;
- e. appointment, promotion and discipline of staff of the Institute;
- f. all categories of training suitable for the purposes of the objectives of this Bill;
- g. prescribing the amount and due date for payment of annual subscriptions and any other levy;
- h. restricting right to practice as directors, in default of payment of the annual subscription;
- i. establishing the professional scale of rates chargeable by members for the various types of directorial services;
- j. making applications for enrolment or registration and providing for the evidence to be produced in support of such applications;
- k. specifying the particulars for notification to the Director-General, by the person to whom any registered particulars relate, or any change in those particulars;
- l. authorising a registered member to have any qualification which, in relation to the relevant division of the profession, is either an approved qualification or an accepted qualification for the purpose of this Bill, registered in relations to his name in addition to, or as he may elect in substitution for any other qualifications so registered; and
- m. Any other thing for effective implementation of the provision of this Bill.

27. In this Bill-

Interpretation

"Appointed Day" means the commencement date of the Bill;

"Council" means the Council established as the governing Council of the Institute;

"Director" includes all categories of members of the Institute;

"Fees" includes annual subscription and license fees;

"Fund" includes all income, investments and liquid assets of the Institute;

"Panel" means Investigating Panel of the Institute;

"President, 1st and 2nd Vice President means elected members the Council to act in those capacities.

“The President” means President and Chairman of the Governing Council”

“Unenrolled person” means a person not admitted to membership under this Bill.

“Register” means the names of registered members of the Institute

“Rules of Professional Conduct” means the set of rules that guide the conduct of members.

28. This Bill may be cited as the Chartered Institute of Directors Nigeria (Establishment, Etc.) Bill, 2022. Short Title

SCHEDULES

FIRST SCHEDULE

(Clause 5 (3))

SUPPLEMENTARY PROVISIONS RELATING TO THE COUNCIL

Qualifications and Tenure of Office of Members

1. Subject to the provisions of this Bill and this schedule, a member of the Council shall hold office for a period of two (2) years, beginning from the date of his election or nomination.
2. Any member of the Institute who ceases to be a member thereof shall, if he is also a member of the Council, cease to be a member of the Council.
3. Any elected member may by notice in writing under his hand addressed to the President, resign his office, and any nominated member may, with the consent of the nominating authority, likewise so resign his office.
4. A person who retires from or otherwise ceases to be an elected member of the Council shall be eligible again to become a member of the Council, and any nominated member may likewise be re-appointed.
5. Members of the Council shall at its meeting next before the Annual General Meeting of the Institute, arrange for four (4) elected members of the Council that are longest in office, to retire at the Annual General Meeting.
6. Election to the Council shall be held in such manner as may be prescribed by the Rules and Regulations made by the Council and until so prescribed, they shall be by secret ballot.
7. If for any reason there is a vacation of office by a member and:
 - a. such member was appointed by the appointing authority, that appointing authority shall appoint another person from the establishment in respect of which the vacancy occurs; or
 - b. such member was elected, the Council may, if the time between the unexpired term of office and the next general meeting of the Institute appears to warrant the filling of vacancy, co-opt another member for such time as aforesaid.

Power of Council

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

Quorum of the Council and Committees

The quorum of the Council shall be nine (9), and the quorum of a committee of the Council shall be as determined by the

Council.

Meetings of the Institute

1. The Council shall convene the Annual General Meeting of the Institute not later than six (6) months after the year-end or on such other days as the Council may, from time to time, determine, in so far as not more than fifteen (15) months shall elapse between the respective dates of the two meetings.
2. An extraordinary general meeting of the Institute may be convened by the Council at any time, if not less than twenty (20) members of the Institute require it by notice in writing addressed to the President of the Institute, setting out the objects of the proposed meeting, the President of the Institute shall convene an extraordinary general meeting of the Institute for that purpose.
3. The quorum of any general meeting of the Institute shall be twenty (20) members and that of any extraordinary general meeting of the Institute shall be twenty-five (25) members.
4. The notice of any general meeting of the Institute shall be 21 days, and that of an extraordinary general meeting shall be 14 days.
5. Notices and reports may be issued and served on members electronically.

Meeting of the Council

1. Subject to the provisions of the Rules and Regulations of the Institute, the Council shall have its regular meetings whenever it is summoned by the President and Chairman of Council. However, if a notice in writing is given to the President by not less than five (5) members of Council, the President is required to summon a meeting of the Council to be held within seven (7) days from the date on which the notice is given.
2. At any meeting of the Council, the President or in his absence, 1st Vice President shall preside; or in the absence of the 1st Vice President, the 2nd Vice President, shall preside; but if all are absent, after 30 minutes from the time the meeting is scheduled to commence, the members present at the meeting shall appoint one of their members to preside over the meeting.
3. Where the Council desires to obtain the advice of any person on a particular matter, the Council may co-opt him/her as a member for such period as the Council deems fit. However, a person who is a member by virtue of this sub-paragraph; shall not be entitled to vote at any meeting of the Council, and shall not count towards a quorum.
4. Notwithstanding anything in the foregoing provisions of this paragraph, the first meeting of the Council shall be summoned by the President, and the Council shall approve such directions as it deems fit as to the procedure which shall be followed at Council meetings.

Committees

1. The Council may appoint one or more Committees to carry out on behalf of the Institute or the Council, such functions as the Council may determine.
2. A decision of a Committee appointed under this paragraph shall not be adversely affected by any defect in the appointment of a member of the Committee or by reason that a person not entitled to do so, took part in the proceedings.
3. Any member of the Institute or of the Council, and any person holding office on a Committee of the Council, who has a personal interest in any contract, investigation, complaint, investigation or other related matters or arrangements entered

into or under consideration by the Council on behalf of the Institute, or on behalf of the Council or a Committee thereof, shall forthwith disclose his interest in writing to the President or the Council, and shall not vote on any question relating to the matter, contract or arrangement.

4. A person shall not by reason only of his membership of the Institute be required to disclose any interest, relating solely to the audit of the accounts of the Institute.
5. A decision of a committee of the Council shall be of no effect until it is laid before Council and duly approved or confirmed.

Miscellaneous

1. The fixing of the seal of the Institute shall be authenticated by the signature of the President and the Director General of the Institute or other member of the Council authorized generally or specially by the Institute, to act for that purpose.
2. Any contract or instrument which, if made or executed by a person not being a body corporate would not be required to be under seal, may be made or executed on behalf of the Institute or of the Council, as the case may be by any person generally or specially authorized to act for that purpose by the Council.
3. Any document purporting to be a document duly executed under the seal of the Institute shall be received in evidence, and shall unless the contrary is proved, be deemed to be so executed.
4. The validity of any proceedings of the Institute or a Committee of the Council shall not be affected by any vacancy in the membership of the Committee or Council.

SECOND SCHEDULE

(Clause 37 (2))

Transfer of Properties

1. Every agreement to which the Incorporated Institute was a part immediately before the commencement of this Bill, whether it is in writing or not, and whether or not is in such nature that the rights, liabilities and obligations thereunder could be assigned by the Incorporated Institute, shall unless the terms or subject matter make it impossible that it should have effect or be modified in the manner provided by this subparagraph, have effect from the appointed day so far as it relates to property transferred by this Bill to the Council as if:
 - (a) The Institute had been a party to the agreement;
 - (b) For any reference (however worded, and whether express or implied) to the incorporated Institute, there were substituted as respects anything failing to be done on or after the commencement of bill, a reference to the Council; and
 - (c) For any reference (however worded and whether express or implied) to a member or members of the Council; and of the incorporated Institute there were substituted, as respect anything failing to be done on or after the commencement of the Bill, reference to a member or members of the Council under this Bill.
2. Other documents, which refer, whether specifically or generally, to the incorporated Institute shall be constructed in accordance with subparagraph (1) of this paragraph so far as applicable.
3. Without prejudice to the generality of the foregoing provisions of this schedule, whereby the right, liability or obligation shall vest in the Institute and all other persons shall, as from the commencement of this Bill, have the same rights as to the

taking or resisting of legal proceedings, of the making or resisting of applications to any authority for ascertaining, perfecting or enforcing that right, liability or obligation of the Institute.

4. Any legal proceeding or application to any authority pending on the commencement of this Bill or against the incorporated Institute may be continued on or after that day or against the Institute.

5. On the commencement of this Bill, any person holding any paid appointment in the Incorporated Institute shall hold corresponding appointment in the Chartered Institute of Directors Nigeria on the same terms and conditions as to tenure or otherwise but shall not be entitled to receive remuneration from the incorporated Institute in respect of the same period of service.

6. If the law in force at the place where any property transferred by this Bill is situated provides for the registration or transfer of property of the kind in question (whether by reference to the instrument of transfer or otherwise), the law shall, so far as it provides for alteration of a register (but not for avoidance to transfer the payment of fees or any other matter), apply with the necessary modifications to the property, and the Institute shall transfer to the officer of the registration authority, and the transfer effected accordingly.

EXPLANATORY MEMORANDUM

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

THIS BILL WAS PASSED BY THE SENATE ON TUESDAY, 6TH JULY, 2021

**THIS BILL WAS CONCURRED BY THE HOUSE OF REPRESENTATIVES ON TUESDAY,
16TH NOVEMBER, 2021**