



**Chartered  
Governance  
Institute of  
Southern Africa**

# **Membership Handbook**

**2022**

The details contained in this handbook are also available on the CGISA website at  
[www.chartgov.co.za](http://www.chartgov.co.za)

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## **PREFACE**

### **EXECUTIVE SUMMARY**

The Chartered Governance Institute of Southern Africa (CGISA) is the formal professional institute for the enabling of corporate governance and company secretaryship as well as the expert commentator and thought leader in Southern Africa on governance matters. CGISA is the professional qualifying body for chartered secretaries and chartered governance professionals, offering an international qualification recognised in more than 80 countries. The career-long programme comprises attainment of the professional qualification and continuing professional development (CPD), which ensures that members remain on the cutting edge of developments. CGISA represents Botswana, Lesotho, Namibia, South Africa and Eswatini.

CGISA is a Professional Body recognised by SAQA in terms of its Policy and Criteria for Recognising a Professional Body and Registering Professional Designations.

CGISA has registered professional designations for Chartered Secretaries and Chartered Governance Professionals with SAQA in terms of Policy and Criteria for Recognising a Professional Body and Registering Professional Designations. The SAQA Policy requires a Professional Body to have policy and criteria to develop, award, monitor and revoke its professional designations in terms of its own rules, legislation and/or international conventions.

Membership is open to people from a wide range of backgrounds because governance itself is wide in scope. Our members come from a diverse range of backgrounds including practising as company secretaries, legal counsel, governance advisers, accountants, academics, risk managers, or compliance officers.

Membership attracts people from listed and non-listed companies in the private sector, from the public and government sectors and the not-for-profit sector. Membership ensures remaining at the forefront of global developments and best practice in governance.

There are three levels of membership – Graduates, Associates and Fellows, each with their own professional designations. Importantly, membership of the Institute evidences not merely academic qualifications but character, integrity and the personal good standing required in the field of governance. Membership therefore offers employers 'watchdog' accountability with recourse to the Institute's disciplinary and disbarment proceedings in the case of misconduct and/or breach by a Member of the Institute Code of Professional Ethics & Conduct.

You can become an Associate member if you have between three and five years recognised experience and you complete the requirements of the International Qualifying Programme of between four and six subjects, depending on prior qualifications.

You can become a Fellow if you have more than five years recognised experience and you complete the requirements of the International Qualifying Programme of between four and six subjects, depending on prior qualifications.

This Membership Handbook is made available to guide members through some of the challenging aspects of their profession. There are a number of new ideas, as well as older ideas that have been redeveloped for the modern professional.

The Continuing Professional Development (CPD) programme and the professional profiles will thrust chartered members well into the forefront of professional development that is being demanded of

senior employees and practitioners throughout the world. We also believe the emphasis must be placed far more intently on the professional development of all our members in order for them to be able to meet the requirements of the International Qualifying Scheme.

We invite you to become acquainted with the contents of this handbook and submit to us your thoughts, feelings and constructive criticisms on any aspect presented herein.

Stephen Sadie

(MBA, M. Ed)

Chief Executive Officer

4 March 2022

## CHAPTER 1: GENERAL INTRODUCTION

### 1. INTERNATIONAL MEMBERSHIP

#### 1.1 The Chartered Governance Institute of Southern Africa (CGISA)

The Southern African Division was the first branch of the Institute to be established outside the United Kingdom in 1909.

The South African Branch was initially managed from the UK, but local autonomy was progressively achieved and today it operates as an independent Division under the name CGISA, with its head office in Killarney, Johannesburg. CGISA currently boasts over 1800 members in South Africa, Botswana, Namibia, Eswatini and Lesotho.

The Committee for Southern Africa (CSA) oversees the management of CGISA. This Committee currently comprises all directors of CGISA. The CGISA Membership Committee reports directly to the CSA.

The CGISA is a non-profit company. The board of directors comprises the President, Senior Vice President and Vice President of CGISA plus the Immediate Past President and elected members.

The board elects the President, Senior Vice President and Vice President each year from amongst its number. The normal course of events is that an elected Vice President will move into the role of Senior Vice President and then that of President; however, there is no guarantee of this. These office bearers hold their positions for a period of one year. The President, Senior Vice President and Vice President, together with the Immediate Past President, form the Executive Committee (Exco) of CGISA each year.

The Committees that support CGISA's management processes as follows –

Committee	Responsibilities	Reporting to
Assessment and Review	Manages the Company's overall assessment process and ensures compliance by all role players with the Company's requirements. Further, it reviews all examination question papers and examination results to endeavour to ensure that both international and local standards are maintained	Board of Directors
Education and Examinations (EDEX)	All educational and examination matters fall under the brief of this committee. The issues dealt with by the committee include the standard of the examination question papers, the examination marking process, skills development providers to assist the Company's students, and any policy matters relating to students. The committee also deals with reports from the global professional standards committee and develops remedial action plans where appropriate	Board of Directors
Finance and Risk	This committee considers matters pertaining to finance and risk, covering areas such as internal controls, integrated and statutory reporting, compliance with laws and regulatory and supervisory codes, external audit, risk management and appropriate and timely disclosure to the board	Board of Directors

Membership	Election of applicants to various levels of membership within CGISA. This committee decides on applications for admission as associate or fellow members of the institute. It is accountable to the Committee for Southern Africa but must adhere to international standards and practices. The membership committee is tasked with dealing with all matters involving members	CSA
Nominations	The nominations committee has the responsibility of considering nominations received from members, considering the skills, experience, age, gender, and diversity criteria required for a high-performance board, and providing a short list of candidates for election at the AGM. The nominations committee also recommends candidates to chair the various committees, and to assume the roles of international representatives and honorary officers.	Board of Directors
Professional Practice Group	Development of the role, recognition and authority of PPG members within the confines of the profession. This committee considers matters pertaining to PPG activities and communicates with and assists members by providing webinars and technical information. The majority of PPG members are accountants. The PPG ensures practising members of the Company conduct themselves in a professional manner to create public awareness of, and demand for, the professional service available from practising members.	Board of Directors
Social and Ethics	Monitoring the company's activities with regards to social and economic development, good corporate citizenship, environment, health and public safety, consumer relationships, labour and employment	Board of Directors
Technical	This committee considers how changes or proposed changes in legislation and regulation may impact corporate governance and company secretarial practice. It also considers the interpretation of legislation and regulation, including the listings requirements of the JSE Ltd, and related matters that may affect members of the Company. The committee focuses on enhancing the legislative and governance knowledge of its members in relation to complex areas pertinent to the company secretarial function	Board of Directors

See the detailed organogram on the website [www.chartgov.co.za](http://www.chartgov.co.za).

## 1.2 The Chartered Governance Institute (CGI)

CGI is an International Body that sets the standards for the profession and manages the process through which chartered members worldwide are qualified, admitted into membership and supported.

Founded in 1891, a body incorporated under Royal Charter, CGI has a long history of representing the views of the governance profession to a wide audience and of answering the need for appropriately

qualified individuals. There are more than 29 000-strong members in over 80 countries. Membership of the Institute is internationally recognised. CGI has divisions in Australia, Canada, China, Malaysia, New Zealand, Singapore, Southern Africa, UK and Zimbabwe. Divisions operate under a delegation agreement (DA) with CGI.

With the strong support of a global Institute and the requirement to meet and maintain the highest standards of probity and ethical behaviour, the chartered member is a true professional.

### **1.3 The Corporate Secretaries International Association (CSIA)**

The CSIA was established in 2010 to be the global voice of corporate secretaries and governance professionals. CGISA is a founder member of this organisation. CSIA consists of 6 CGI divisions and other countries such as India, USA, Kenya, Nigeria, Bangladesh and Brazil. In 2017, CSIA was incorporated as a company limited by guarantee in Hong Kong. It is governed by a Council of which any national organisation is eligible to become a full member. The Council then elects an Executive Committee to manage the operational aspects of running the association.

For more information on CSIA please visit:

[https://www.chartsec.co.za/index.php?option=com\\_content&view=article&id=400&Itemid=6](https://www.chartsec.co.za/index.php?option=com_content&view=article&id=400&Itemid=6)



## **CHAPTER 2: MEMBERSHIP, CONSTITUTIONAL DOCUMENTS AND CURRICULUM**

### **2.1 Vision, Mission and Values**

#### **a. Vision:**

- Our vision is to be the leader in the practice of governance in Southern Africa.

#### **b. Mission:**

- Our mission is to become the shining beacon in governance.
- We will be the best explainers, the best advocates, the best educators and the most active organisation in the promotion of good governance in Southern Africa.

#### **c. Values**

- Stand up: Challenging. Proud to take a position. Never afraid to do so.
- Listen well: Totally aware. Understanding what's going on in the world. Always mindful of change.
- Move forward: Forever looking at the path ahead. Remembering where we've been.
- Stay balanced: A source of ethical conscience. Never shaken. Standing firm.
- Be totally up to date: In tune with the global trends in governance.
- Inspire: Leading the way so others will follow.

#### **d. Our aims are**

- The maintenance of an international Institute able to balance and sustain compatible strategies for the Profession worldwide.
- To maintain a qualifying scheme that is pitched at a post-graduate level, is practical and is a key benchmark to indicate readiness for graduate membership (GradCG) status.
- To maintain an operating structure, covering management, people, systems and organisation, to keep CGISA fit for purpose.
- To promote CGISA through effective communications, underpinned by an appropriate marketing strategy.
- To sustain and enhance CGISA's professional standing across Southern Africa by providing high quality support in secretaryship in organisations and the individual.
- To develop a broad base of funding to underpin and grow CGISA.

### **2.2 Memorandum of Incorporation – CGISA**

CGISA is a non-profit company in terms of the 2008 Companies Act. The Memorandum of Incorporation (MOI) covers such issues as membership of CGISA, management of CGISA through its board of directors and issues governing the board, procedures for general meetings, finances, fees and subscriptions – and a variety of other issues, many of which are dealt with elsewhere in this handbook.

### **2.3 The Professional Entry Scheme**

The CGISA, in line with a co-ordinated initiative driven by our International body, has with effect from January 2019 implemented the CGI International Qualifying Scheme (IQS) in Southern Africa. The IQS is effectively a six-subject Board Examination set in accordance with internationally accepted standards for our profession.

The Board Examination is registered at Level 8 on the South African National Qualifications Framework (NQF) and the course structure and assessments (examinations) are the absolute responsibility of CGISA. This is in terms of the Delegation Agreement between the International CGI Council and the Committee for Southern Africa. The syllabus and Board Examinations are quality assured by the Professional Standards Committee (PSC) of the International Council and conform to the uniform international standards prescribed to all the divisions of CGI across the world.

Important Note: This programme is registered on the NQF as follows:

SAQA ID	Learning Programme title	NQF level	Min Credits
104989	Occupational Certificate: Company Secretary	8	544*
118115	Occupational Certificate: Governance Professional	8	156**

\*These credits include the credits earned for the Governance Practitioner Qualification

\*\*Entrance to this qualification is either by means of exemptions or completion of the Governance Practitioner Qualification (detailed later).

The Board Programme consists of SIX modules. The structure of the qualifications is as follows:

<b>Chartered Secretary Route</b>	<b>Chartered Governance Professional Route</b>
Applied Governance	Applied Governance
Finance for Decision-Making	Finance for Decision-Making
Corporate Law	Corporate Law
Risk and Compliance	Risk and Compliance
Company Secretarial Practice	Enterprise Risk Management
Development of Strategy	Public Sector Governance

Candidates who successfully complete the Board Examination may apply to be graduate members of the Institute (GradCG) and on completion of the required work experience component, are eligible to apply for Associate (ACG) and then Fellow (FCG) Membership.

## 2.4 Governance Practitioner

The entry level for the programme at the NQF5 level is the equivalent of a South African Grade 12 (Matriculation) certificate – with Mathematics and English.

The structure of the qualification at levels lower than the Board level are as follows

Communication	NQF5
Introduction to Financial Accounting	NQF5
Introduction to Law	NQF5
Introduction to Corporate Governance	NQF5
Managing Information Systems	NQF6
Principles of Business Law	NQF6
Advanced Financial Accounting	NQF6
Principles of Corporate Governance	NQF6
Management Principles	NQF7
Advanced Business Law	NQF7

Advanced Corporate Governance	NQF7
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This qualifies students to become a Governance Practitioner, which is registered on the NQF as follows:

SAQA ID	Learning Programme title	NQF level	Min Credits
104991	Occupational Certificate: Governance Practitioner	7	376

Note: This qualification is an entrance qualification for the Occupational Certificate: Company Secretary and for the Occupational Certificate: Governance Professional.

The tuition provision of these courses has been substantially enhanced by a tutoring system of accredited tuition skills development providers. Candidates are, however, also permitted to use a “self-study” approach.

Candidates who successfully pass the Board Examination and who are able to meet the stringent work experience and personal integrity requirements, can then apply to become ACG or FCG members of the CGISA. Members of CGISA are then allowed to use the internationally recognised and coveted designation “Chartered Secretary” or “Chartered Governance Professional”.

### 2.5 Alternative Entry

Qualified graduates with relevant degrees are eligible to apply to sit the Board Examinations – part qualifications and other diplomas are awarded exemptions up to Governance Practitioner level, depending on subjects passed. A maximum of **two** exemptions may be awarded for the Board examination.

Candidates who have already obtained other degrees or diplomas (i.e., B. Com, CAs, LLBs, etc) are eligible to apply for entry to the Board Examination.

An alternate route for candidates who do not have appropriate degrees is to complete the programmes registered at Level 7 on the NQF.

Details of the IQS – the full syllabuses with learning outcomes and assessment criteria – are available on the Student Page of the CGISA website:

[https://www.chartsec.co.za/index.php?option=com\\_content&view=article&id=48&Itemid=56](https://www.chartsec.co.za/index.php?option=com_content&view=article&id=48&Itemid=56)

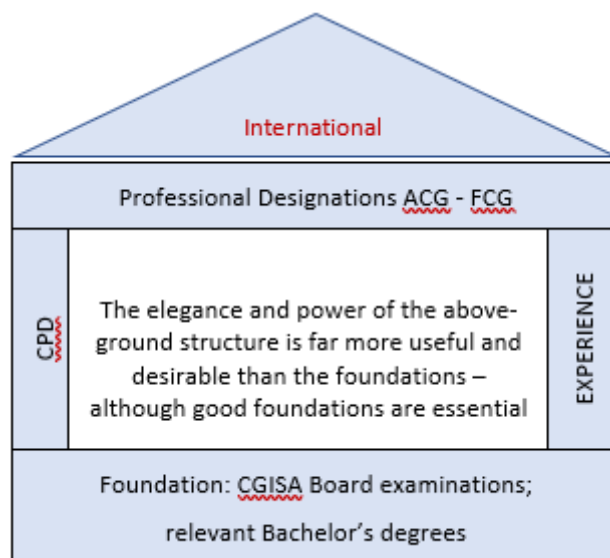
## 2.6 Business Education – a Lifelong Journey

A key strategy of CGISA is the concept of “Business Education – a Lifelong Journey”.

The CGISA offers an unbroken chain of outcomes-based business education commencing with NQF Level 5 modules advancing through the 11 undergraduate subjects until completing the NQF7 modules and ending at the 6-subject Board Examination at NQF Level 8.

Candidates can, if they wish or if conditions dictate, step off the train anywhere along this route and take appropriate business qualifications and the relevant experience along with them. They can, at any future time, resume their journey. However, it should be borne in mind that any changes in the curriculum will apply upon resumption.

The figure on the right encapsulates the essence of what professional membership means:



## 2.7 Membership – Application procedures

Potential Members of CGISA, who have passed the Board Examination, can apply for membership of CGISA at Associate or Fellow level. The level of application will depend on the extent of their work experience and involvement. In essence, an Associate will be required to have at least six years’ relevant experience at an appropriate level while a Fellow requires ten years – the last three of which should have been at a senior level in business. The Membership Committee, which has the responsibility of awarding membership, has fairly significant discretionary powers in this regard.

Persons who have passed the Board Examination but who do not have the appropriate levels of business experience can become Graduate Members (GradCG).

Membership application forms are available on the CGISA website or can be obtained from the Membership Administrator at +27 11 551 4000 or [membership@chartgov.co.za](mailto:membership@chartgov.co.za) .

Certificates are awarded as recognition of membership but remain the property of CGISA. They must be returned on resignation as a member of the Institute.

Membership of a professional body can only be maintained through the attainment of appropriate levels of CPD and through the payment of annual subscriptions.

Members who have reached the age of 65 and who are no longer in employment can apply for transfer to retired status. Granting of retired status is dependent on the individual circumstances of each member – including whether they are employed or earning an income from their professional activities. Should they be granted retirement status, they will continue to enjoy all the benefits of membership but will pay reduced fees as indicated in the relevant schedules.

Members are entitled to resign from membership by giving notice in writing of their intention to do so and returning their certificates of membership. Resignations are ONLY accepted if all amounts owing to CGISA have been paid in full and upon receipt of the membership certificate.

## 2.8 The Entitlements of Chartered Members in Southern Africa

Chartered members of CGISA are entitled, and in fact are encouraged, to use their designated initials:

FCG – Fellow of CGISA

ACG – Associate of CGISA

The table below shows the specialisations under each category of membership, depending on the underlying qualification that has been achieved.

Specialisations					
ACG	Associate of the Chartered Governance Institute	Associate of the Chartered Governance Institute (Chartered Secretary)	Associate of the Chartered Governance Institute (Chartered Governance Professional)	Associate of the Chartered Governance Institute (Chartered Secretary, Chartered Governance Professional)	Associate of the Chartered Governance Institute (Accountant)
	ACG	ACG (CS)	ACG (CGP)	ACG (CS/CGP)	ACG (Acc)
FCG	Fellow of the Chartered Governance Institute	Fellow of the Chartered Governance Institute (Chartered Secretary)	Fellow of the Chartered Governance Institute (Chartered Governance Professional)	Fellow of the Chartered Governance Institute (Chartered Secretary, Chartered Governance Professional)	Fellow of the Chartered Governance Institute (Accountant)
	FCG	FCG (CS)	FCG (CGP)	FCG (CS/CGP)	FCG (Acc)

These two membership categories entitle members to call themselves Chartered Secretaries or Chartered Governance Professionals.

On graduating, and before becoming a chartered member, the candidate aspiring to full membership is known as a Graduate of the CGISA and, **on application**, may use the following letters after his or her name: GradCG.

The right to use these designations is a valuable benefit of being a member of a strongly branded institute that is well known in all our centres of operation – locally and abroad. They should be used on all appropriate occasions for identification and to promote this prestigious and distinguished professional hallmark. Members are requested to use their designated initials at all times – on letterheads, business cards, business stationery and when being introduced in business contexts.

Chartered Secretaries and Chartered Governance Professionals (ACG and FCG members) are entitled to practise as company secretaries or governance professionals and may also practise as accounting officers, **provided they have the prescribed mix of accounting, law and tax subjects** in their qualifying scheme.

It is a criminal offence to practise as an accounting officer without the required and prescribed membership rating of a designated professional body.

In addition to enabling the use of designated initials and quality assuring the IQS, CGISA is committed to adding value to membership by ensuring that high levels of service are offered to members at all times. Any member who does not enjoy an acceptable level of service when interacting with CGISA staff, or who has any other complaint against CGISA is encouraged to contact the Membership Department via email at [membership@chartgov.co.za](mailto:membership@chartgov.co.za).

Please note also that unless you are a paid-up member you may not claim any of the membership designations, namely GradCG, ACG, or FCG. This applies to members who were once registered but have not maintained their membership by paying their fees or keeping up with CPD. CGISA is legally obligated to provide records to SAQA regarding membership of the Institute and to remove members who are not in good standing with the Institute from the SAQA database.

## **2.9 Professional Practice**

All members who are in private (professional) practice (self-employed) and who use their Chartered Secretary / Chartered Governance Professional designation post-nominals to legitimise or promote their businesses, must be in possession of a valid practising certificate, issued by CGISA, on payment of the annual subscription fee. Members in possession of a practising certificate are also members of the Professional Practice Group (PPG). The practising certificate indicates whether a member is qualified to practise as an accounting officer or the alternative governance professional. Accounting officers are members in good standing who have passed required courses in Accounting, 1, 2 and 3, Corporate Law and Taxation. Practising certificates remain valid on payment of the annual practising fee AND upon fulfilment of the CPD requirements of the CGISA (see separate Chapter on CPD).

The Professional Practice Group (PPG) is a support group for all chartered secretaries / chartered governance professional members in professional practice (i.e., using their Chartered Secretary designation post-nominals as the basis for their own business – as accounting officers, consultants or any other practice). This group is run by the PPG Committee. It promotes the interests of members in professional practice. The majority of PPG members are accountants. The PPG ensures practising members of the Company conduct themselves in a professional manner to create public awareness of, and demand for, the professional service available from practising members. The committee is tasked with ensuring the interests of its members. The committee holds an annual general meeting where the committee members are elected. The PPG committee also organises Forums for members to attend on relevant tax updates and topics.

All Chartered Secretaries and Chartered Governance Professionals in professional practice are required to apply for and be in possession of a practising certificate, issued by CGISA. The fee for the certificate includes a subscription fee for membership of the PPG and entitles such members to complimentary copies of the PPG Manual and subsequent updates as well as discounted rates on CPD seminars.

Please consult the Members page (Members in Practice section) on the CGISA website for further details.

## **CHAPTER 3: CGISA's VALUE PROPOSITION**

### **3.1 The Professional – by Richard Beyond**

Why is the CGISA qualification the premier qualification in Corporate Governance?

The CGISA programme/syllabus, as well as the membership of the Chartered Governance Institute of Southern Africa, is at the heart of our claim that we offer the world's premier qualification in Corporate Governance.

Our current mix of subjects (or course programme) provides the knowledge and theoretical background for the Company Secretary or Governance Professional to be able to function as the gatekeeper, the ultimate focus around which a business' corporate governance is manifested and implemented.

In addition to an academic qualification, CGISA provides a membership structure that underpins the theory of the CGISA qualification. A candidate who successfully completes all 17 subjects is only a Graduate – he or she does not yet hold CGISA membership. Membership is only conferred when a graduate applies for membership, and this is conferred if an applicant is in good standing (has no criminal or any other malfeasance record) – so this is the first “gate” and it is a guarantee to employers that a member of CGISA is qualified AND has the integrity that is required of a position that deals with corporate governance (i.e., a Chartered Secretary or Chartered Governance Professional).

This is magnified when a GradCG applies for Associate status: the GradCG has worked for a number of years and has applied theory to an actual work environment AND has retained integrity, vouched for by the conferring of ACG membership. This is further enhanced with the conferring of the FCG.

Thus, the membership structures, which include the vetting process in the application for membership, the disciplinary structures, the code of ethics and of course the CPD programme, ensures that a member of CGISA carries not only the theory, but also current knowledge of the profession at all times, as well as guarantees of integrity and ethical work practices.

This is why the CGISA is the world's premier qualification in Corporate Governance.

### **3.2 Value of the CGISA Qualifying Scheme and Membership**

The CGISA qualifying scheme is primarily an independent, internationally moderated academic course that qualifies graduates to automatically become GradCG members of the Chartered Governance Institute of Southern Africa.

GradCG members in good standing (i.e., their fees are up to date and they have maintained their record of integrity and CPD), receive copies of the Boardroom, the Technical Newsletter, the E-zine, and are given generous discounts on CGISA CPD seminars and workshops.

This objective should not be overlooked when exploring the relationships with National Qualifications Frameworks. Our position is very similar to the international institutions that are currently proudly marketing their qualifications that are NOT NQF registered, but which obtain their credibility from their historical connections with credible institutions (Oxford, Cambridge, Stanford, Bond, etc). However, the South African qualifications are registered on the South African NQF as professional qualifications, which further enhances their standing in the business world.

The potential employers and clients of chartered secretaries and chartered governance professionals are regularly informed through an integrated marketing initiative, that they should only deal with



chartered members (i.e., Associate and Fellow members in good standing). Thus, membership of CGISA is increasingly becoming the deal-making factor. Employers and clients value the accountability that is provided through membership.

A GradCG is ONLY allowed to use the chartered designation “Chartered Secretary”, or Chartered Governance Professional once they have upgraded their membership to ACG or FCG status.

Membership provides employees and clients with the peace of mind that their relationship with the chartered secretary or chartered governance professional member is underwritten by a rigorous academic platform, a code of ethics, a code of conduct, verifiable and recorded work experience, a record of integrity, ongoing commitment to a disciplinary process and CPD.

### **3.3 The Value of Membership? It’s Priceless**

Membership is thus as important an investment as a financial one: an unbroken, blemish-free record of membership is invaluable and priceless. It is vastly more important than the original qualifying scheme – whether it is the CGISA qualifying scheme or a degree qualification alone. All information becomes dated with time – and this happens far more rapidly now than ever before in the history of humanity. It is thus the professions that set the standards for continuing learning and ongoing improvement of work competence – it is the membership that counts in the end, not the academic qualification. Members are able to obtain Commissioner of Oaths status. More information on this is available at:

[https://www.chartsec.co.za/index.php?option=com\\_content&view=article&id=522&Itemid=657](https://www.chartsec.co.za/index.php?option=com_content&view=article&id=522&Itemid=657)

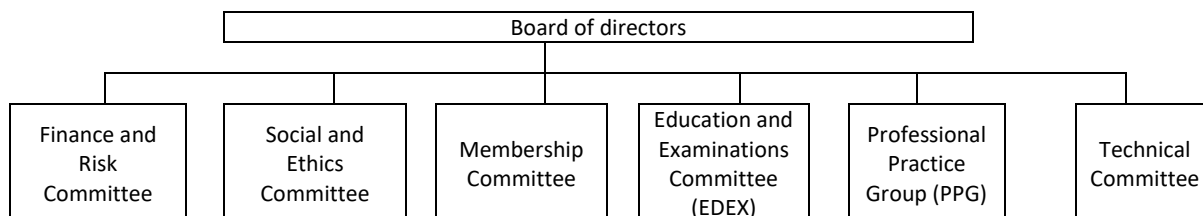
Apart from the Chartered status afforded to members, members have access to world-leading thought leadership in the following ways:

- Best practice guides are published annually on topics of significance in the corporate governance landscape. These guides include practical guidance for all company secretaries and governance professionals. These guides may be accessed at:  
[https://www.chartsec.co.za/index.php?option=com\\_content&view=article&id=35&Itemid=39](https://www.chartsec.co.za/index.php?option=com_content&view=article&id=35&Itemid=39)
- Members have access to the global e-community forum, which enables networking with governance professionals internationally. This forum allows queries to be raised by members on any governance topic and responses are received from members across the globe thus promoting international best practice.
- The CGI thought leadership committee releases publications containing significant research across all member countries, including Southern Africa. This enables members to keep abreast of global trends and issues in the governance sector. The CGI website is available here:  
<https://www.cgiglobal.org/>

## CHAPTER 4: GOVERNANCE STRUCTURES

Members of CGISA can become involved and contribute in a meaningful way to CGISA by becoming involved in one or more of the governance structures. If you would be interested in supporting CGISA in this way, please advise the Membership Department of CGISA at [membership@chartgov.co.za](mailto:membership@chartgov.co.za)

The diagram below provides a high-level overview of the governance structures.



### 4.1 The Board of Directors

The policy-making body concerned with strategic issues. For this purpose, at least one board meeting will be dedicated to policy and strategy issues each year. Profiles of directors may accessed via: [https://www.chartsec.co.za/index.php?option=com\\_content&view=article&id=8&Itemid=12](https://www.chartsec.co.za/index.php?option=com_content&view=article&id=8&Itemid=12)

### 4.2 The Executive Committee

- To deal with the direction of the Company's affairs and the implementation of the policy and objectives set by the Company's board of directors ("the Board");
- To discuss matters of importance that may arise between board meetings;
- To ensure that CSSA remains financially sound;
- To provide guidance for the preparation of the financial budget with specific attention to the assumptions applied, its accuracy, and compliance with the requirements of the Board;
- To discuss concerns regarding any board members due to non-performance or absenteeism;
- To provide a structure whereby honorary officers may meet and deliberate on key issues facing the Institute;
- To provide oversight on the financials of the associate bodies – CIBM and Mentor; and
- To attend to any other matter raised by Exco or delegated to Exco by the Board.

### 4.3 Committees' Roles and Responsibilities

#### 4.3.1 Appeals

- To hear appeals against disciplinary findings made by the Disciplinary Tribunal. The verdict of this Committee is final and binding on the member.

#### 4.3.2 Assessment and Review

- To consider the results of assessment recommended by assessors for each module, including outcomes of assessment moderation;
- To monitor and review the appropriateness of allocated marks;
- To consider trends in results;
- To recommend a final grade for each candidate;
- To identify any missing results and make arrangement that results are issued to all students on the final results release date set by the institute;

- To monitor and review the effectiveness of assessment practices and make recommendations to the board on assessment policies, procedures, rules and guidelines;
- To review the performance of moderators and examiners;
- To ensure adequate and accurate minutes are kept of meetings to record decisions made and action taken by the panel and an appropriate report is provided to the board. The report should include any changes made to final grades.

#### **4.3.3 Disciplinary Tribunal**

- To constitute disciplinary hearings
- To record their findings and, if applicable, note and publish the penalties.

#### **4.3.4 Education and Examinations (EDEX)**

- To administer the function of the education and examinations activities of CGISA and its students;
- To consider changes to curricula and syllabi from time to time;
- To review exemption criteria from time to time;
- To consider and review the appointment of examiners and moderators;
- To ensure adherence to quality assurance programmes and requirements as specified by the Company and by law;
- To consider disciplinary considerations for students and the process to be followed;
- To define standards for student entry, examinations (including schemes for accreditation or exemption) and other forms of formal assessment, the standards required in marking examination scripts and other forms of assessment and qualification for membership;
- To ensure that collaborative agreements operate in accordance with the professional standards;
- To consider and assess any proposals regarding the design or development of examinations leading to a qualification of CGISA;
- To keep under review the ability of CGISA to continue to provide qualifications;
- To keep under continuous review whether the appropriate professional qualification standard is being maintained in the setting, delivery and marking of examinations;
- To determine from time to time the methods of assessment used to test the skills and knowledge for persons wishing to enter the professions;
- To make rules about its examinations or other methods of assessment, which rules may include rules for exempting persons from part of the examinations because of their education or experience, or in the case of persons with exceptional relevant professional experience, exempting them from written examinations subject to their passing an oral examination or other form of assessment by way of a resolution passed by a majority of at least two-thirds of the members present;
- To recommend policy and strategic matters to the Board;
- To report to the Board;
- To liaise with the Professional Standards Committee; and
- To attend to any other applicable matter raised by the Committee or delegated to the Committee by the Board.

#### **4.3.5 Finance and Risk**

- To assist the board in determining its appropriate risk levels.
- To review the identification of key risks, both internal and external, and risk responses.

- To assist the board in its evaluation of the adequacy and efficiency of the internal control systems, accounting practices, information systems and auditing processes applied in the day-to-day management of business.
- To facilitate and promote communication between the board, management, the external auditors and the internal auditors.
- To oversee the financial reporting process to facilitate the appropriateness, transparency and integrity of the processes leading to the fair presentation of internal and externally published financial information.
- To introduce such measures as in the Committee's opinion may serve to enhance the credibility and objectivity of financial statements and reports prepared.
- To review the effectiveness of CGISA and associated entities internal financial control and risk management system.
- To review the effectiveness of the independent internal and external audit processes.
- To appoint and assess the internal auditors
- To nominate the appointment of the external auditor for the board to consider and recommend the appointment to members.
- To assess the performance of the external auditors.
- To review CGISA and associated entities' monitoring compliance with laws and regulations.
- To monitor the solvency and liquidity of all entities.
- To perform such other functions as may be delegated to the Committee by the board.

#### **4.3.6 Investigations**

- To conduct such investigations as it considers necessary in pursuance of the investigation. If, at the conclusion of such investigation, the Committee concludes that a disciplinary hearing is warranted, the results are forwarded to the Disciplinary Tribunal. If the Committee decides the complaint does not constitute such deviation it will give its reasons therefore. In either instance, both complainant and member will be informed.

#### **4.3.7 Membership**

- To review the criteria for admission of Associates and Fellows of CGISA;
- To authorise the issue of certificates of Membership of CGISA and, in the event of cessation of Membership, to ensure that such certificates are returned to CGISA;
- To ensure compliance with the relevant provisions of the Charter and ByLaws and the requirements of the International Institute as defined in Mol;
- To monitor disciplinary processes;
- To grant reduced rates to members at the discretion of the Committee;
- To recommend to the board persons to be granted special entry as members of the Institute at the discretion of the Committee and subject to certain criteria;
- To report and make recommendations to the Committee for Southern Africa; and
- To attend to any other applicable matter raised by the Committee or delegated to the Committee by the Committee for Southern Africa.

#### **4.3.8 Nominations**

- To report and make recommendations to the Board;

- To solicit and receive nominations on an annual basis for the offices of President, Senior Vice-President and Vice-President, for election by the Board in terms of the Company's MoI;
- To solicit and receive nominations for:
  - representatives on outside bodies;
  - institutional representatives,
for appointment by the Board;
- To assist with the process of receiving nominations for the office of director of the Company, for election by Members of the Company at the Company's Annual General Meeting;
- To review nominations for distinguished awards and to make recommendations to the Board regarding such awards;
- To ensure good standing of all nominees;
- To assist the Board to ensure that directors are appointed through a formal and transparent process;
- To publicise the names of nominees, with information on the contribution of the nominee to CGISA and his/her standing in the community;
- To consider the performance of directors and take steps towards the process of removing directors who do not make an appropriate contribution;
- To ensure that proper election processes are set up and followed by the election officials and returning officers; and
- To attend to any other applicable matter raised by the Committee or delegated to the Committee by the Board.

#### **4.3.9 Professional Practice Group**

- To promote and develop the role, recognition and authority of PPG members within the confines of the requirements of the company in respect of accounting, tax, business management, consultancy and administration of companies, company secretarial practice, governance, risk and compliance, close corporations and other bodies;
- To ensure that it provides advice on accounting matters to PPG members whereas the Technical Committee provides advice on company secretarial and governance matters.
- To ensure practising Members of the Company conduct themselves in such a manner and with such professional efficiency as to create public awareness of, and demand for, the professional services available from practising Members;
- To report to the Board; and
- To attend to any other applicable matter raised by the Committee or delegated to the Committee by the Board.

#### **4.3.10 Social and Ethics**

The Committee focuses on the functions outlined below:

- Social and economic development:
- Good corporate citizenship:
- Environmental health and public safety:
- Consumer relations:
- Labour and employment:
- Ethics.

The Committee reports, through the Chairman of the Committee, to the members at the Company's annual general meeting, on any part of the business of the meeting that concerns the Committee's functions.

#### **4.3.11 Technical**

- To ensure that the composition of the Committee is appropriate to fulfil its responsibilities.
- To set out an annual work plan.
- To monitor the progress of the annual work plan and ensure that the objectives and tasks are achieved.
- To provide input into legislation, policies, applicable regulations, codes and best practice, taking into account the legitimate requirements and expectations of Members and any other applicable stakeholders.
- To provide input and recommendations into CGISA's student curriculum in line with the evolving role of the company secretary.
- To attend to any other applicable matter raised by the Committee or delegated to the Committee by the board of directors of CGISA.

## **CHAPTER 5: THE CODE OF PROFESSIONAL CONDUCT AND ETHICS**

### **5.1 Definitions**

“Board” means the Board of Directors of Chartered Governance Institute of Southern Africa. “Firm” means any business in which the participants are members.

“Member” means any person who is designated as a

- Fellow – FCG
- Associate – ACG

Only FCGs and ACGs may call themselves “Practitioners” which means a member who is so named and in possession of a current practising certificate issued by the Institute.

“Professional Practice” means any member, Partnership, Company or Close Corporation whose members are practitioners and which offers or provides or holds itself out as offering or providing advice or service to the public for fees.

#### **NOTES:**

In this code, words implying the singular shall include the plural, and words denoting the masculine gender shall be deemed to include the other genders and vice versa.

While a Graduate member is not a voting member of the Institute in terms of its Charter and Bye-laws, they shall be bound by the provisions of this Code as if he were a member.

The code of ethics is applicable to all members

This code demonstrates the standard of professional conduct expected of members.

### **PART A: APPLICABLE TO ALL MEMBERS**

#### **5.2 General Fundamental Principles**

The ethics described in this code are issued by the board for guidance of members and to assist members to conduct themselves in a manner which the board considers appropriate to the governance profession. However, as misconduct cannot be defined with exactitude for all circumstances but will need to be determined in the light of the circumstances of each individual case, it follows that the board cannot promulgate mandatory tenets, the breach of which in each case can necessarily be classified misconduct.

5.2.1 This code is issued in the context of the authority of the board to facilitate the enforcement of ethical standards through its disciplinary procedures (see Chapter 6). Failure to observe the provisions of the Code does not (as indicated above) ipso facto constitute misconduct but does mean that the member may be at risk in having to justify his actions in answer to a complaint.

5.2.2 The Memorandum of Incorporation of the Institute requires the observance of the rules of conduct as a condition of membership and render a member liable to disciplinary action if found guilty of misconduct, which includes, but is not confined to, any act or default likely to bring discredit to the member, the Institute or the profession. Nevertheless, the Board considers it desirable to be more explicit in particular areas.

5.2.3 Members are required to uphold the Institute's Charter and comply with its Bye-laws.

- 5.2.4 Members are required to exercise integrity, honesty, diligence and due care in carrying out their duties and responsibilities. They shall conduct themselves with courtesy and consideration towards all with whom they come into contact in the course of their professional work.
- 5.2.5 Members shall at all times be cognizant of their responsibilities as professional persons towards the wider community. They shall follow the guidance of this Code and in circumstances not provided for, should conduct themselves in a manner consistent with the good reputation of the profession and the Institute.
- 5.2.6 Members shall at all times safeguard the interests of their employers, colleagues and clients provided they shall not knowingly be a party to any illegal or unethical activity.
- 5.2.7 Members shall not enter any agreement or undertake any activity which may be in conflict with the legitimate interests of their employer or client or which would prejudice the performance of their professional duties.
- 5.2.8 Members shall ensure the currency of their knowledge, skills and technical competence in relation to their professional activities.
- 5.2.9 Members shall refrain from conduct or action which detracts from the reputation of the Institute.
- 5.2.10 In accepting or continuing a professional assignment a member should always have regard to any factors which might reflect adversely upon his integrity and objectivity in relation to that assignment.

## **PART B: APPLICABLE TO PRACTITIONERS**

### **5.3 Professional Independence**

Professional independence is a concept fundamental to a member in professional practice. It is essentially an attitude of mind characterised by integrity and an objective approach to professional work.

- 5.3.1 A member in professional practice shall be, and be seen to be, free in each professional assignment he undertakes of any interest which might detract from objectivity. The fact this is self-evident in the exercise of the reporting function must not obscure its relevance in respect of other professional work.
- 5.3.2 It is the duty of the practitioner to present or report on information objectively. That duty is the essence of professionalism and is appropriate to all members in professional practice.
- 5.3.3 It is the responsibility of practising members to use their best endeavours to ensure that the guidance herein given is followed in their practices.
- 5.3.4 Personal relationships can affect objectivity. There is a particular need, therefore, for a practice to ensure that its objectivity approach to any assignment is not endangered as a consequence of any personal relationship. By way of example, problems may arise where the same partner or senior staff member works for a number of years on the same assignment or where anyone in the practice has a mutual business interest with an officer or employee of a client or has an interest in a joint venture with a client. Such problems can also exist in cases



of close friendship or relationship by blood or marriage or where work is being done for a company dominated by one individual.

- 5.3.5 Where a financial involvement with a client may affect objectivity the member shall seriously consider his position. Such involvement can arise in a number of ways, of which a shareholding in a company upon which the practice is retained to report is a typical example.
- 5.3.6 Acceptance of goods or services from a client may be a threat to independence. These should not be accepted by a partner, his spouse or minor child or by the staff of the practice save on terms no more favourable than those available to the generality of the employees of the client. Acceptance of undue hospitality poses a similar threat.
- 5.3.7 Where advice given to a client is such that, if acted upon, it will result in commission being earned by the practice or anyone in it, special care shall be taken that the advice is in fact in the best interests of the client. The client shall be informed, in writing, both of the fact that commission will be received and, as soon as practicable, of the amount and the terms of such commission.
- 5.3.8 Whenever a practice is asked to accept an appointment, consideration shall be given to whether acceptance might give rise to a situation in which independence may be compromised, whether by a prospective conflict of interest or otherwise. All reasonable steps shall be taken to establish that acceptance is not likely to threaten independence.

#### **5.4 Confidentiality**

Information acquired in the course of professional work shall not be disclosed except where consent has been obtained from the client or where there is a public duty or where there is a legal or professional right, obligation or duty to disclose. Members should comply with all the provisions of the POPI Act 4 of 2012.

A member acquiring information in the course of professional work shall neither use nor appear to use that information for his personal advantage or for the advantage for a third party.

#### **5.5 Obtaining Professional Work**

- 5.5.1 A member shall not obtain or seek work for his or another member's practice in an unprofessional manner.
- 5.5.2 A member may seek publicity for his services and achievements and may advertise his services, but in so doing shall have regard to the standards for the time being set by the Institute. Those standards currently applicable are contained in 5.2 of this code.
- 5.5.3 In addition to meeting the requirements of the above standards, in particular as to legality, decency, honesty and truthfulness, a member shall ensure that his promotional material is in good taste both as to content and presentation and that it does not belittle the services offered by others, whether members or not, either by claiming superiority for the services of a particular member or otherwise.
- 5.5.4 While a practitioner may include in advertisements a list of the services available from his firm, he shall abide by the requirements of section 5.6 in relation to any words of description applied to the firm.

- 5.5.5 In conformity with the obligation not to mislead clients as to the precise range of services that a quoted fee is intended to cover, practitioners shall avoid making fee comparisons or quoting fees in advertisements but may offer a free consultation at which levels of fees will be discussed.
- 5.5.6 A practitioner may not make or instigate an unsolicited approach to a non-client for the purpose of obtaining professional work by making an uninvited visit or by telephoning either to solicit business or to make an appointment to visit.
- 5.5.7 Direct mailing methods may be used by practitioners to promote their practices among non-clients. This includes the mailing of letters to a particular non-client or batches of letters to non-clients and the mailing of other technical or promotional material, or by such other means as is not contrary to the requirements of 5.5.6 above, but such distribution shall not be followed up by telephone or visit save at the specific request of the recipient, nor in such other manner as to amount to harassment.
- 5.5.8 Material distributed as provided for in 5.5.7 above is subject to the same constraints as are laid down in respect of publicity and advertising referred to in 5.6.
- 5.5.9 A practising member shall not give or offer any commission, fee or reward to a third party, not being either his employee or another practitioner, in return for the introduction of a client, but may pay for normal marketing services.
- 5.5.10 A practitioner whose promotional activities are found not to conform to the guidelines set out in the above paragraphs will be subject to disciplinary enquiry.
- 5.5.11 For the purposes of this clause promotional activities carried out in the name of a firm shall be construed as promotional activities carried out by the individual members of that firm, whether carried out personally or through agents.
- 5.5.12 A practitioner shall not hold himself out as carrying on business of a kind which is normally carried out by a practitioner, for and on behalf of his employer unless the employer is permitted to describe itself as “Chartered Secretaries” or “Chartered Governance Professionals” under the bye-laws.

## **5.6 Practice Names and Descriptions**

- 5.6.1 It is recommended that a practitioner shall use his designated letters at all times and he may describe himself personally as a Chartered Secretary and/or Chartered Governance Professional.
- 5.6.2 A practising firm's name and operations should be consistent with the dignity of the profession.
- 5.6.3 A practising firm's name should not be misleading as, for example, by leading to confusion with that of another firm. It is the custom of the profession for members of the firm to practise under a firm's name based upon names of past or present partners in the firm itself or in a firm with which it has merged or amalgamated, but this is not obligatory.
- 5.6.4 While there is no objection to a firm entitled to the description “Chartered Secretaries” or “Chartered Governance Professionals” so describing itself and, in addition, including on its notepaper a list of services it particularly wishes to offer, it should not incorporate any of that

list of services into the general description of the firm (e.g., “Chartered Secretaries / Chartered Governance Professionals and Taxation Advisers”). The latter description would erroneously imply that the service(s) so specified are not of themselves a part of the normal range of services that Chartered Secretaries or Chartered Governance Professionals provide.

- 5.6.5 Where a firm does not use the description “Chartered Secretaries” or “Chartered Governance Professionals”, it is entitled to adopt a description indicating a specialisation in any area or areas of work.
- 5.6.6 If any person named on the letterhead as a member of a firm is not a member of the Institute the firm may not describe itself on its letterhead or elsewhere as “Chartered Secretaries” or Chartered Governance Professionals”.

## **5.7 Professional Appointments**

- 5.7.1 It is natural that a member in professional practice will endeavour to expand his practice, but in so doing he should not seek to displace an incumbent in a manner which would reflect negatively on the profession or the Institute.
- 5.7.2 A member invited to undertake professional work additional to that already being carried out by another practitioner, who will still continue with his existing duties, should, as a matter of professional courtesy, notify the other practitioner of the work he is undertaking. This notification need not be given if the client advances a valid reason against it. The member undertaking the additional work has the right to expect the continuing practitioner's full co-operation in carrying out his assignment and vice versa.
- 5.7.3 A client might sometimes request services requiring highly specialised knowledge. If a practitioner lacks the expertise necessary to render such services, he should call upon a fellow practitioner for assistance or refer the entire engagement to an appropriately qualified person. Such assistance or referral brings to bear on the client's needs both the referring practitioner's knowledge of the client's affairs and the technical expertise of the specialist brought into the engagement. If both serve the client best in their own area of ability, all parties are well served.
- 5.7.4 The wishes of the client must be paramount in the choice of his professional advisers, whether or not special skills are involved. Accordingly, a practitioner shall not attempt to restrict in any way his client's freedom of choice in obtaining specialised advice and, when appropriate, should encourage him to do so.
- 5.7.5 Clients have an indisputable right to choose their professional advisers and to change to others should they so desire.
- 5.7.6 While it is essential that the legitimate interests of clients are protected, it is also important that a practitioner who is asked to replace an incumbent has the opportunity to ascertain whether there are any professional or other reasons why he should not accept the appointment. He cannot effectively do so without direct communication with the incumbent. The practitioner should, therefore, not accept the appointment without first communicating, if possible in writing, with the incumbent to enquire whether there are any reasons, professional or otherwise, why the practitioner should not accept the appointment. This applies whether or not the incumbent is a member of the Institute.

- 5.7.7 Communication enables the practitioner to ascertain whether the circumstances in which a change in appointment is proposed are such that he can properly accept the appointment and also whether he would wish to do so. In addition, such communication helps to preserve the harmonious relationships which should exist between practitioners on whom clients rely for professional advice and assistance.
- 5.7.8 Communication between parties serves –
- to protect a member from accepting an appointment in circumstances of which he is not fully aware;
  - to protect the minority proprietors of a business who might not be fully informed of the circumstances surrounding the proposed change;
  - to protect the interests of the incumbent where the proposed change arises from, or is an attempt, to interfere with the conscientious exercise by him of his duties as an independent professional.
- 5.7.9 Before accepting an appointment involving recurring professional work hitherto carried out by an incumbent the member should:
- ascertain whether the prospective client has informed the incumbent of the proposed change and has given him permission, preferably in writing, to discuss the client's affairs fully and freely so as to enable the practitioner to decide whether he should accept the appointment;
  - when satisfied with the reply received from the prospective client, request his permission to communicate with the incumbent(s). If such permission is refused he should, in the absence of exceptional circumstances of which he is fully aware, and unless he can satisfy himself as to the necessary facts by other means, decline the appointment;
  - on receipt of permission, ask the incumbent, if possible in writing, to inform him of any matters of which he should be aware before deciding whether or not to accept the appointment and, if there are any such matters, to provide him with all the details necessary to enable him to come to a decision;
  - wherever possible obtain evidence of the written resignation of the incumbent.
- 5.7.10 The incumbent, on receipt of the communication referred to above, shall forthwith:
- reply, if possible in writing, advising whether there are any reasons why the practitioner should not accept the appointment and;
  - if there are any such reasons or other matter which should be disclosed, ensure that he has the permission of the client to give details of this information to the member. If permission is not granted the incumbent should report that fact to the practitioner;
  - on receipt of permission from the client, disclose all information needed by the practitioner to enable him to decide whether or not to accept the appointment and discuss freely with the practitioner all matters relevant to the appointment of which the latter should be aware.

- 5.7.11 If the practitioner does not receive, within a reasonable time, a reply to his communication to the incumbent and he has no reason to believe that there are any exceptional circumstances surrounding the proposed change, he should endeavour to communicate with the incumbent by some other means. If he is unable to obtain a satisfactory outcome in this way, he should send a further registered letter, stating that he assumes there are no professional or other reasons why he should not accept the appointment and that he intends to do so.
- 5.7.12 The fact that there may be fees owing to the incumbent is not a reason why the practitioner should not accept the appointment
- 5.7.13 The incumbent should transfer all books and papers which are the property of the client, which are in, or may come into, his possession, to the newly appointed practitioner within a reasonable time frame after the change in appointment has been effected unless he has a lien over any such books and papers for the payment of charges outstanding. He should in either case advise the client accordingly.
- 5.7.14 A practitioner may act alone or in association with members of other professional bodies to provide professional services usually undertaken by a practitioner so long as the practitioner or any of his associates do not do anything which is or may be in breach or contravention of any legal, ethical or other requirement governing members of such professional bodies.

## **5.8 Fees**

- 5.8.1 A practitioner is entitled to charge for his services such fees as he may consider appropriate in connection with the work he undertakes.
- 5.8.2 The fact that one practitioner may charge a lower fee than another for undertaking the same or similar work is not improper provided care is taken to ensure that the client is not misled:
- as to the precise range of services that a quoted fee is intended to cover (in which connection that practitioner should provide the client with an engagement letter),
  - as to the likely level of future fees for any work undertaken for the client.
- 5.8.3 If, in the course of an investigation into allegations of unsatisfactory work on the part of a practitioner, there is evidence of the work having been obtained or retained through quoting a fee that is not economic in terms of the time needed and quality of staff necessary to perform that work to a satisfactory professional standard, that factor is likely to be taken into account in considering the member's conduct having regard to the obligations placed upon a member under General Fundamental Principle 5.2.10 of this Code.
- 5.8.4 Fees should not be charged on a percentage or similar basis, save where that course is authorised by statute or is generally accepted practice for certain specialist work; nor shall instructions be accepted on a contingency fee basis save in circumstances set out in sub-clause 5.8.5 below.
- 5.8.5 In certain limited circumstances fees cannot realistically be charged save on a contingency fee basis; to require otherwise, would be to deprive potential clients of professional assistance, the capacity of the clients to pay being dependent upon the success or failure of the venture. Examples are matters such as advising on a management buy-out or the raising of venture capital. Where any work is subject to a contingency fee, the capacity in which a practitioner

has worked and the basis of his remuneration shall be made clear in any document on which a third party may rely.

- 5.8.6 The attention of practitioners is directed to the provisions of 5.6 of this Code which contains details of guidelines as approved and issued by the board and relating to members advertising their services.

### **5.9 Mixed and Multidiscipline Practices**

- 5.9.1 If a practitioner acts in association with non-members in the provision to the public of professional services he thereby accepts responsibility to the Institute for ensuring that the association is conducted in accordance with the ethical and other requirements of the Institute.
- 5.9.2 A practitioner may act in association with members of other professional bodies to provide professional services, so long as the practitioner and his association do nothing which is in breach of any legal, ethical or other requirements governing members of any of the relevant professional bodies.
- 5.9.3 A practitioner who is also a member of another professional body shall not, in providing services usually undertaken by a practitioner, do anything in breach of any legal, ethical or other requirement governing members of that other professional body.

### **5.10 Clients' Monies**

A practitioner is strictly accountable for all clients' monies received by him and these shall be deposited without delay into a separate bank account. Such moneys shall be kept from all other monies in his hands and be applied only for the purposes of the client. They shall be held or disbursed by the practice in accordance with the instructions of the person from whom or on whose behalf they are received.

### **5.11 Agencies**

- 5.11.1 A practitioner contemplating acceptance of an appointment as agent of a financial service provider, a financial institution or other organisation which invites the public to place funds in its hands by way of deposit, investment or otherwise shall satisfy himself that such acceptance is not made inappropriate by reason of:
- the nature of the services he is to provide as agent;
  - the manner in which those services may be brought to the attention of the public;
  - the manner in which he or his firm may be publicised; and
  - take all reasonable steps to assure himself that the undertaking he may represent is properly conducted and financially sound.
- 5.11.2 Practitioners acting as agents shall have in mind the principles set out in clause 5.5 that they must neither obtain nor seek professional work in an unprofessional manner. It follows that a practitioner should not use any agency in such a way as improperly to attract work to his practice.
- 5.11.3 A practitioner appointed as agent may permit the name, address and description of his firm to appear in any literature or advertisement published by the undertaking. In the case of an

advertisement or circular describing the facilities available through the agency, the practitioner's details should appear without undue prominence in relation to the rest of the wording.

- 5.11.4 The attention of practitioners is drawn to clause 5.4 regarding the disclosure to clients of commissions received by the practitioner in connection with the client's affairs.

## CHAPTER 6: THE CGISA DISCIPLINARY PROCESS

Any member of CGISA who, for any reason, deviates from the Code of Conduct can be subjected to disciplinary action.

Any client or employer of a member of CGISA, or any other person, can formally lodge a complaint against a Member of CGISA for deviating in any way from CGISA's Code of Ethics. (The Codes of Ethics and Conduct are included as a separate chapter in this handbook.)

Anyone wishing to lodge a complaint should do so in writing.

The complaint is, in the first instance, referred to CGISA's Technical Adviser (technical@chartgov.co.za). The Technical Adviser will pass the complaint to the Investigations Committee.

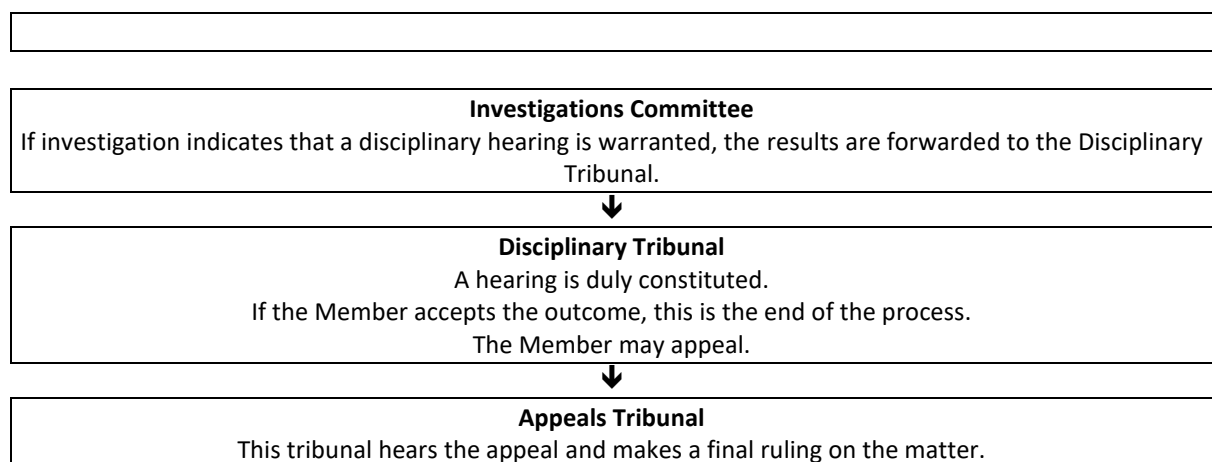
The Investigations Committee will conduct such investigations as it considers necessary in pursuance of the investigation. If, at the conclusion of such investigation, the Committee concludes that a disciplinary hearing is warranted, the results are forwarded to the Disciplinary Tribunal. If the Committee decides the complaint does not constitute such deviation it will give its reasons therefore. In either instance, both complainant and member will be informed.

If called, a hearing is duly constituted by the Disciplinary Tribunal, to which both Member and Complainant are invited. Both Member and Complainant may, at their discretion, lodge with the Tribunal any verbal or written evidence they wish. At the conclusion of the hearing, the Disciplinary Tribunal will record their findings and, if applicable, will note and publish the penalties.

Both Member and Complainant have the right to appeal the decision of the Disciplinary Tribunal. Such appeal will be heard by the Appeals Tribunal. The verdict of this Tribunal is final and binding on the Member. More information on the disciplinary processes and sanctions that may be imposed are available in the Charter and Byelaws available at: <https://www.chartsec.co.za/documents/members/Charters%20and%20Byelaws%20November%202020.pdf>

A flowchart of the disciplinary process is provided below.

### Disciplinary Procedure





## **CHAPTER 7: ADDED BENEFITS**

### **7 1 TECHNICAL SUPPORT SERVICES**

Under the guidance of an in-house Technical Advisor, we develop a package of technical services that is aimed at supporting the employed Chartered Secretary / Chartered Governance Professional, as well as the member in professional practice. The easiest way to access the technical support is to contact the Technical Advisor on 011 551 4000 / [technical@chartgov.co.za](mailto:technical@chartgov.co.za).

The package will include:

- Suitable technical materials (Boardroom, the Technical Newsletter, e-zine, best practice guides and weekly mailers are published and circulated).
- Updates on new legislation as well as opportunities to make contributions to discussion papers and draft legislation. The Technical Committee will be the main driver in this regard.
- Access to the services of the Technical Advisor, and a selected network of advisors who support him/her.
- Discounts on training offered by CGISA.

### **7 2 CAREER SUPPORT**

The CGISA provides the following support services to its members.

- Chartered Governance Placements specialises in the placement of chartered members in various regions in South Africa. The Appointments Register details can be obtained from the CGISA website.
- Learnerships are also available to students via accredited employers. The scheme is ideally suited to those candidates with no work experience or whose work experience is not relevant to the CGISA qualification. Potential employers have the opportunity to employ qualified candidates on contract without the commitment of ongoing employment.
- Members wanting to transfer to other Divisions of the Institute overseas are welcome to contact our Membership Administrator in this regard.
- There is a strong focus on the effective management of the CGISA brand and its profile amongst all our stakeholders. Interventions include the review of job advertisements that should be including Chartered Secretaries and Chartered Governance Professionals as essential requirements. Regular presentations to Schools, Universities, Recruitment Consultants and Employers in both Private and Public sectors are conducted. Our Integrated Report Awards Function has become a byword in the industry.
- There is a focus on growing and improving existing initiatives to reach key role players and to lobby for outcomes advantageous to CGISA and its Members. Some recent examples in this regard include the key King Committee involvement of some of our senior members. CGISA is also represented on various regulatory bodies in Southern Africa.

## **CHAPTER 8: CONTINUING PROFESSIONAL DEVELOPMENT (CPD) PROGRAMME**

### **8.1 Introduction**

The knowledge and skills needed to function effectively as a chartered member, in business, education, professional practice, the public sector or any other environment, continue to change and expand at a rapid rate. Members and associates face increased knowledge and skills expectations. Continued development of professional competence and lifelong learning are critical if members are to meet these expectations.

The marketing of chartered members has increasingly emphasised the internationally moderated CGISA qualifying scheme, disciplinary structures, accountability and a formal, monitored CPD programme.

CPD refers to learning activities that develop and maintain capabilities to enable members to perform competently within their professional environments.

CGISA is a division of the CGI and, as such, it has obligations to foster a commitment to lifelong learning amongst its members. It is also required to monitor and enforce the continuing development and maintenance of professional competence of its members and associates. These obligations also flow from stakeholder expectations and regulatory requirements within South Africa.

CGISA's Code of Professional Conduct states: "Members shall ensure the currency of their knowledge, skills, and technical competence in relation to their professional activities. Failure to maintain currency of knowledge is regarded as professional misconduct and could lead to disciplinary action in accordance with the continuing professional development policy."

The CPD policy contains additional information and is available at:

<https://www.chartsec.co.za/documents/members/CPD%20Policy%202020.pdf>

### **8.10 Non-compliance**

As a registered professional body, the board of CGISA is obliged by law (The NQF Act 2008) to ensure that members meet the CPD requirements. The Institute is audited by SAQA to ensure that this is done. CGISA has set up the CPD system to operate effectively and in the public interest. Therefore, the board will ensure that, when necessary, appropriate action is taken to ensure compliance with the CPD regulations. Steps will be taken where members do not comply with the CPD regulations. Initial steps taken to address non-compliance are likely to focus on bringing members into compliance within a reasonable time frame.

### **8.11 Monitoring**

The Membership Committee has responsibility for monitoring compliance with the CPD regulations. The Committee has a wide range of powers including:

- Refusing, restricting or withdrawing any licence it has issued;
- Agreeing a regulatory penalty;
- Referring the member to the Disciplinary Committee for possible disciplinary action.

It is important to be aware that continued or wilful failure to comply could result in your being excluded from membership.

Monitoring will be conducted as follows:

- An audit of the website.
- An annual random audit of selected Members. The audit will require Members to provide evidence of their CPD activity and records will need to be kept for three years.
- By exception reports generated from the database.
- Whenever a disciplinary action is instigated.

### **8.13 Conclusion**

CGISA cannot provide assurance that all members will provide high quality professional service all the time. Doing so involves more than monitoring professional competence, it would involve the application of that knowledge with professional judgement and an objective attitude. Similarly, CGISA cannot be assured that every person who participates in a CPD programme will reap the full benefits of that programme, because of variances in individual commitment and capacity to learn. Despite the inherent limitations however, the board believes a CPD programme is important for an individual member to fulfil his/her professional activities and responsibilities and the maintenance of professional standards, ethics and knowledge.

## CHAPTER 9: ASSOCIATED INSTITUTE

The Chartered Institute of Business Management (CIBM)

The CIBM is useful as a junior membership for students who don't want to or are not successful in reaching the board level. The CIBM is not an examining body but recognises subjects passed or exempted from the CGISA curriculum. The major difference is that students will be entitled to apply for membership of the CIBM at various levels after passing a minimum of five CGISA modules or if exemptions are granted and apply the appropriate designatory title after their names. These are indicated in the table below:

Level	Designatory Titles	Number of subjects passed in sequence
Fellow	FCIBM	17
Associate	ACIBM	13
Licentiate	LCIBM	9
Affiliate	AffCIBM	5

Members of other professional bodies, university graduates or holders of National Diplomas can qualify to apply for a higher level of CIBM membership by studying for the CGISA programmes.