

DRAFT RULES OF THE ASSOCIATION OF CORPORATE TREASURERS

INTERPRETATION

In these Rules the following words shall, if not inconsistent with the subject or context, bear the following meanings:

the "Charter"	means the Charter granted by Her Majesty in Council to the Association on [date]
"Associated Company"	shall have the meaning given by Section 256 of the Companies Act 2006;
the "Association"	means The Association of Corporate Treasurers;
the "Bye-laws"	means the Bye-laws set forth in the Schedule to the Charter and as amended from time to time in accordance with the Charter;
"clear days"	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"close of business"	shall mean 17.00 hours, United Kingdom time;
"electronic communication"	shall have the same meaning as in the Electronic Communications Act 2000;
"electronic signature"	means anything in electronic form which the Council requires to be incorporated into or otherwise associated with an electronic communication for the purpose of establishing the authenticity or integrity of the communication;
the "former Association"	means the company known as The Association of Corporate Treasurers incorporated on 23 August 1979 (registered company no 01445322).
"member" (lower case "m")	shall have the meaning accorded in Bye-law 1.1 except when used in the context of a member of the Council, the Advisory Board, a committee or (as in Bye-law 8.1) "other organisations";
"organisation"	means a body corporate;
"person"	means an individual and not a body corporate;
"Secretary"	shall mean any person or organisation appointed from time to time by the Council to undertake the responsibilities set out in the Bye-laws.

References to a document being "signed" or to "signature" include references to its being executed under hand or under seal or by any other method and, in the case of an electronic communication, are to its bearing an electronic signature.

References to "writing" include references to any method of representing or reproducing words in a legible and non-transitory form including by way of electronic communications

where specifically provided in a particular Bye-law or where permitted by the Council in its absolute discretion.

Unless the context otherwise requires, words or expressions contained in these Rules shall bear the same meaning as in the Charter.

Words denoting any gender shall include both genders.

1. THE COUNCIL

1.1 In accordance with Bye-law 29.2, the initial Council shall comprise those persons who were members of the Council of the former Association of Corporate Treasurers as at [date]. Thereafter the members of the Council will comprise:

- (a) a president of the Association (the "President") from time to time;
- (b) a deputy president of the Association (the "Deputy President") from time to time;
- (c) a vice president of the Association (the "Vice President") from time to time;
- (d) nine other persons, each of whom shall be Participating Members subject to a maximum of four members of the Council who are Associate Members. At times there may be less than nine other persons as members of the Council, but at no time shall there be less than three other persons;

together with:

- (e)
 - (i) the immediate past President, being the person who held the office of President, whether filling a casual vacancy or otherwise, immediately prior to the election of a new President (the "Immediate Past President");
 - (ii) any person holding office as Chief Executive under Bye-law 14.3;
 - (iii) any persons appointed to the Council under Rule 1.2; and
 - (iv) any persons co-opted to the Council under Rule 1.3.

1.2 Subject to Rule 1.1(d) the Council may appoint a Participating Member to fill any casual vacancy arising among their number during any year, and may likewise fill any vacancies in the Council left unfilled by the annual election in accordance with these Rules. Any person becoming a member of the Council under this Rule 1.2 shall retire from the Council with effect from the close of business on the next following 30th April and such person shall be eligible for nomination and election and, for the purpose of Rule 4.1, the period of such person's service while filling the relevant casual vacancy shall be disregarded.

1.3 The Council may co-opt up to two persons (who need not be members of the Association). Any persons so co-opted under this Rule 1.3 shall retire with effect from close of business on the next following 30th April but may be co-opted for further periods of one year at the discretion of the Council. During the continuance of the co-option, those persons shall be members of the Council, except that they shall not:

- (a) be entitled to vote at any meetings of the Council or form part of the quorum present at meetings; or
- (b) be eligible for election to an Officer of the Council.

1.4 A member of the Council may by notice in writing delivered to the Secretary resign from the Council with effect from 30 days after the date of the notice, unless the Council shall resolve to accept an earlier date, at which time he shall cease to be a member of the Council.

2. OFFICERS OF THE COUNCIL

2.1 In accordance with Bye-law 14, the President, the Deputy President and the Vice President shall be elected by ballot of Participating Members, to hold their respective offices in each case for a period of one year from the 1st May after such election and provided that:

- (a) no person shall be elected to any such office unless that person has signed a declaration of willingness so to act and is at the time of election either:
 - (i) an elected member of the Council; or
 - (ii) a member of the Council appointed pursuant to Rule 1.2 who has previously been an elected member of the Council;

and has been nominated for election to the office in question by at least one member of the Council;

- (b) no person shall be elected to the same office for two consecutive periods of one year; and
- (c) the Council may if it thinks fit appoint, from among their number, a person to fill any vacancy in any such office arising during a year to hold office until the end of the year or any other extended period of office and, for the purpose of Rule 2.1(b), the period of such person's service while filling the casual vacancy shall be disregarded.

In accordance with Rule 4.7, no election will be held if only one person is validly nominated for election to the relevant office or if the number of nominations is less than the number of vacancies arising.

2.2 Any person holding office as Chief Executive under Rule 1.1(e)(ii):

- (a) shall not be subject to election nor be required to retire under these Rules, and shall not be taken into account in determining the number to retire at any annual general meeting; and
- (b) shall not be eligible to be the President of the Association.

3. DISQUALIFICATION FROM COUNCIL OFFICE

3.1 The office of a member of the Council shall be vacated if he:

- (a) resigns in accordance with Rule 1.4;
- (b) is prohibited by the law of any jurisdiction from being a director of a body corporate;
- (c) becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (d) is, or may be, suffering from mental disorder and either:
 - (i) is admitted to hospital in pursuance of an application for admission for treatment under any mental health statute; or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;

- (e) shall for more than six consecutive months have been absent without permission of the Council from meetings of the Council held during that period and the Council resolves that his office be vacated; or
- (f) ceases to be a member of the Association.

4. ELECTIONS TO THE COUNCIL

4.1 In each year each member of the Council who has served a full term since being elected either to the Council of the former Association or to the Council provided under the Bye-laws shall retire from the Council with effect from the close of business on the 30th April provided that:

- (a) there shall be no such obligation to retire on the part of any person who has by the 30th April already been elected to serve as the President, Deputy President or Vice President or is the Immediate Past President, except in certain circumstances where he does not subsequently take up or vacates any relevant office as more particularly described in Rule 4.3; and
- (b) any member who would be required to retire from the Council by reason of having served a full term since being elected, shall be eligible for nomination and re-election to the Council with effect from the next following 1st May, unless, immediately prior to such retirement, that member has served two consecutive full terms as a member of the Council.

For the purposes of this Rule 4.1 and Rule 4.2, a "full term" shall be a period of three years.

4.2 Any member of the Council who:

- (a) is not nominated and re-elected in accordance with Rule 4.1(b) and whose retirement becomes effective; or
- (b) retires after having served two consecutive full terms;

may not stand for re-election to the Council unless the date on which such re-election would become effective is at least three years after the date of the member's most recent retirement from the Council.

4.3 Any Vice President who vacates his office or who does not subsequently take up his office as Deputy President, or any Deputy President who vacates his office or who does not subsequently take up his office as President, or any President who vacates his office, shall cease to be a member of the Council once he has served or is deemed to have served a full term of office. For these purposes only, his previous years as an officer of the Council shall also be counted for the purposes of computing whether he has or is deemed to have served a full term.

4.4 The President shall be entitled to serve one further year on the Council after he shall cease to be President in the capacity of Immediate Past President and the Immediate Past President shall cease to be a member of the Council at the end of his year of office and shall not be capable of standing for re-election to the Council until three years following the end of such year of office.

4.5 At least twelve weeks before the 30th April in each year, the Council shall cause notice to be sent to all Participating Members showing:

- (a) the names of those nominated for election as officers under Rule 2.1; and
- (b) the names of those who are due to retire from the Council at the close of business on the 30th April or who have ceased or will cease to be members of the Council;

and inviting nominations for eligible persons for election to fill the vacancies so arising.

- 4.6 In order to be valid, a nomination for election to fill any vacancy shall:
- (a) be made and signed by at least two Participating Members;
 - (b) include a signed statement by the person nominated of his willingness to be elected; and
 - (c) be received at the office of the Association by such date as may be prescribed by the Council being not less than 21 days after notice was sent as aforesaid.
- 4.7 If only one person shall be nominated for election to any one office under Rule 2.1, or if the total number of persons validly nominated to fill vacancies arising among the other places in the Council is equal to or less than the number of vacancies due to arise, the persons so nominated shall be deemed to be duly elected to that office or, as the case may be, to the Council with effect from the 1st May following the election.
- 4.8 If more than one person shall be nominated for election to any one office under Rule 2.1, or if the total number of persons validly nominated to fill vacancies arising among the other places in the Council shall exceed the number of vacancies due to arise, the Council shall after the latest date stated for receipt of nominations cause to be sent by any reasonable means of delivery, including electronic means, to each Participating Member a ballot paper stating:
- (a) the names, addresses and business occupations of the nominated candidates together with such other information about them as the Council may from time to time prescribe;
 - (b) the names, addresses and business occupations of the Participating Members by whom they were nominated;
 - (c) the maximum number of candidates for whom any Participating Members may cast his votes, which shall be equal to the number of vacancies arising;
 - (d) an instruction to vote for one of the candidates for each office under Rule 2.1 and a direction of the manner in which a vote shall be indicated; and
 - (e) a statement of the rules by which a person shall be judged to be elected and of any other regulations which the Council may consider desirable or necessary from time to time for the conduct of elections.
- 4.9 For a vote to be valid, the ballot paper shall:
- (a) indicate, in the manner directed by the Council, each candidate for whose election the member is voting;
 - (b) indicate votes for no more candidates than the maximum number stated;
 - (c) be signed by the member voting and, in the case of a ballot paper returned in an electronic communication, be delivered in a form to include any electronic signature which the Council may require for the purpose of establishing the authenticity or integrity of the communication;
 - (d) show the name and registered address of the member voting;
 - (e) not contain any other writing by the member;
 - (f) be sent or delivered in a sealed envelope or, if specifically allowed by the Council in the relevant case, sent via an electronic communication to the office of the Association;

- (g) be received at the office of the Association at least five weeks before the 30th April.
- 4.10 If a ballot is necessary under Rule 4.8, the President, or, failing that, the Deputy President or, failing that, the Vice President shall, before the date stated under Rule 4.9(g), appoint a member of the Association who is not a candidate in the election to act as a scrutineer. Ballot papers received by the Association in accordance with Rules 4.9(f) and (g) shall upon the day after the date aforesaid be delivered sealed to the Secretary who, overseen by the scrutineer and assisted by staff of the Association, shall forthwith:
- (a) open the envelopes containing the papers and any electronic communication and examine them;
 - (b) count the votes and ascertain the results of all the elections;
 - (c) report in writing over the joint signatures of the Secretary and the scrutineer the numbers of votes for each candidate, the number of votes rejected and the grounds for rejection, the results of each election, the names of those duly elected and the positions to which they are elected; and
 - (d) on the 7th day after opening the said envelopes and electronic communications destroy all voting papers and delete (as far as practically possible) all electronic communications.
- 4.11 The report of the Secretary and the scrutineer as aforesaid:
- (a) shall be conclusive as to the result of any election notwithstanding any irregularity or informality that may come to light at any time;
 - (b) shall be open to the inspection of any member on application to the Secretary; and
 - (c) shall be prominently displayed on the Association's website.
- 4.12 In the event of an equality of votes for any office or vacancy, any applicable candidates shall be deemed to be elected with reference to the length of time he has been a member of the Association. That candidate or those candidates (as the case may be) with the longest period of membership will be deemed elected.

5. PROCEEDINGS OF THE COUNCIL

- 5.1 The President shall, in accordance with Bye-law 16.2, preside at every meeting of the Council, but if he shall not be present within five minutes after the time fixed for the meeting or shall have notified the Secretary that he will not be attending, one of the Deputy President or the Vice President shall preside at that meeting (to be decided between themselves who shall take the Chair), but if neither be present the members of the Council present shall elect one of their number to be chairman of the meeting.
- 5.2 The President or the Chief Executive with the consent of the President, the Deputy President or the Vice President, or any three members of the Council may, and the Secretary on such a requisition shall, summon a meeting at any time. Notice of a meeting of the Council shall be given to each member of the Council at least 7 days before the meeting to his registered address within the United Kingdom or to such other postal or e-mail address as he may from time to time notify to the Secretary for the purpose, but failing such notification it shall not be necessary to give notice to a member having an address outside the United Kingdom. The requirement to give notice under this Rule for any particular meeting of the Council may be waived by agreement of all those members of the Council entitled to be given notice.
- 5.3 The quorum necessary for the transaction of the business of the Council shall be five.

5.4 The continuing members of the Council may act notwithstanding any vacancy in their number, but, if and so long as that number is reduced below the number fixed by or pursuant to these Rules as the quorum for the transaction of business of the Council, the continuing members of the Council may act for the purpose of increasing the number of members of the Council to that number, or of summoning a general meeting of the Association, but for no other purpose.

5.5 Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman of the meeting shall have a second or casting vote.

5.6 Subject to the provisions of Rule 5.6.1, a member of the Council must avoid a situation in which he has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Association or any Associated Company (a "Conflict Situation"). The provisions of Rules 5.6.1 to 5.6.7 (inclusive) are applicable to Conflict Situations arising and the duties of Council members in relation thereto.

5.6.1 The duty of such member of the Council is not infringed if:

- (a) in the case of a Conflict Situation arising as a result of a direct or indirect interest in a transaction or arrangement that has been, or is proposed to be, entered into by the Association, the relevant member of the Council declares the nature and extent of that interest to the Council, promptly after he becomes aware of any interest of his or a connected person of his in the proposed transaction or arrangement in question (and for these purposes the member of the Council is treated as being deemed to be aware of matters of which he ought reasonably to be aware);
- (b) in the case of any other Conflict Situation, the matter giving rise thereto has been authorised by the Council.

5.6.2 A declaration by a member of the Council under Rule 5.6.1(a) must be made at a meeting of the Council, or by notice in writing to the other members of the Council. If any such declaration proves to be, or becomes, inaccurate or incomplete, a further declaration must be made by the member of the Council concerned.

5.6.3 Any member of the Council who wishes to seek authorisation for a Conflict Situation pursuant to Rule 5.6.1(b) must disclose to the Council the nature and extent of his other direct or indirect interest which gives rise to a Conflict Situation and any such authorisation given shall only be effective if:

- (a) neither the relevant member of the Council nor any other member of the Council, directly or indirectly interested in the matter under consideration, is counted in the quorum at the meeting at which the matter is considered; and
- (b) neither the relevant member of the Council nor any such other interested member of the Council votes on the matter (and if he or any other such member of the Council does so, his vote shall not be counted).

5.6.4 When giving its authorisation to a matter giving rise to a Conflict Situation pursuant to Rule 5.6.1(b), the Council may impose such terms and conditions as it may in its absolute discretion think fit and the relevant member of the Council shall comply, and conduct himself in accordance with such terms and conditions.

5.6.5 Save as provided below (and whether or not the interest is one which in respect of which a declaration has been made pursuant to Rule 5.6.1(a) or authorised pursuant to Rule 5.6.1(b), such member of the Council shall not vote on, or be counted in the quorum in relation to, any resolution or authorisation of, or approval by, the Council concerning any matter in which he is directly or indirectly interested and, if he purports to do so, his vote shall be disregarded. This prohibition shall not apply to any resolution, authorisation or approval concerning a matter in which the relevant member:

- (a) has an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (b) has an interest only by virtue of an interest in or through the Association; or
- (c) has an interest of which he is not aware (and for this purpose, a member is treated as being deemed to be aware of matters of which he ought reasonably to be aware).

5.6.6 The duties of any member of the Council or any relevant committee are deemed to be owed to the Association.

5.6.7 References to the Council in this Rule 5 (apart from those in Rule 5.6.6 and in this Rule 5.6.7) include any relevant committee of the Council. References to a member of the Council include a member of any relevant committee of the Council and references to any meeting or resolution or authorisation of, or approval by, the Council, include any meeting or resolution or authorisation of, or approval by, any relevant committee of the Council. For the purposes of this Rule, a direct or indirect interest of any member of the Council or any relevant committee of the Council shall include the interest of any connected person in relation to such member.

5.7 A resolution, authorisation or approval in writing signed or approved by all the members of the Council or of a committee of the Council, shall be as valid and effectual as if it had been passed at a meeting of the members of the Council or of such committee duly convened and held and may consist of several documents in the same terms each signed or approved by one or more of such members.

5.8 A meeting of the Council may be deemed for all purposes duly convened and held if a member of the Council is (or members of the Council are) in communication with other members of the Council by telephone or by the medium of audio visual transmission, and if:

- (a) notice of the meeting has been given or the requirement to give notice has been waived as required by Rule 5.2;
- (b) all of the said members agree to treat the meeting as so held;
- (c) the number of members of the Council participating in such deemed meetings is not less than the quorum fixed in accordance with Rule 5.3; and
- (d) a chairman of the meeting appointed in accordance with Rule 5.1 is one of those so participating.

A resolution of a meeting deemed held in accordance with this Rule 5.8 shall be as valid as if made at an actual meeting.

6. ADVISORY BOARD

6.1 The chairman and other members of the Advisory Board constituted under Bye-law 17, may be non-members of the Association, but none may be a member of the Council. The chairman of the Advisory Board shall be appointed by the Council and shall have the duties which may be prescribed by the Council from time to time. The chairman of the Advisory Board, in consultation with the President and the Chief Executive, shall be responsible for the appointment of the other members of the Advisory Board. The chairman or any member of the Advisory Board may resign by notice in writing to the Council. The office of any member of the Advisory Board (including chairman) shall be vacated if any of the circumstances set out in Rule 3.1 (b) to (d) apply to such member.

7. COMMITTEES

7.1 The Council may appoint to any committee set up in pursuance of Bye-law 18.1 any member and persons who are not members as it shall at its discretion consider necessary to ensure

impartiality or adequate expertise among the members of such committee, whether in a particular instance or generally.

- 7.2 The Council shall appoint a person to act as chairman of a committee. The person so appointed need not be a member of the Association. If at any meeting the chairman is not present within five minutes after the time appointed for the meeting the members present may choose one of their number to act as chairman for that meeting.
- 7.3 Questions arising at a meeting of any committee shall be determined by a majority of votes of the members present, and in case of an equality of votes the chairman of the meeting shall have a second or casting vote.

8. REMUNERATION AND EXPENSES

- 8.1 No members of the Council, the Advisory Board or any committee shall be entitled to any remuneration by virtue of acting in such capacity.
- 8.2 Notwithstanding the provisions of Rule 8.1 the Council may, exceptionally, determine that remuneration may be paid for additional services performed by such members in other capacities.
- 8.3 The Association may pay reasonable expenses wholly, necessarily and properly, incurred by members of the Council, the Advisory Board or of any committee in connection with their attendance of meetings of the Council, the Advisory Board and any committee, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Association.

9. PROCEEDINGS AT GENERAL MEETINGS

- 9.1 No business shall be transacted at any general meeting unless a quorum of members is present; save as herein otherwise provided, five Participating Members present in person shall be a quorum.
- 9.2 If within half an hour from the time appointed for the meeting a quorum is not present or if, during a meeting, a quorum ceases to be present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the chairman may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting or ceases to be present, the members present shall be a quorum.
- 9.3 The President or, failing him, the Deputy President or, failing them, the Vice President, shall preside as chairman at every general meeting of the Association, or if there is no such person qualified to be chairman of the meeting, or if he shall not be present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act, the members present shall elect one of their number to be chairman of the meeting.
- 9.4 The chairman of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at it.

- 9.5 At any general meeting a resolution put to the vote of the meeting shall be decided on a poll.

A declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that

effect in the minute book of the Association shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

- 9.6 The result of the poll shall be deemed to be the resolution of the meeting and a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Association shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
- 9.7 The election of a chairman of a meeting, or on any question of adjournment shall be decided by show of hands of those present in person.
- 9.8 In the case of an equality of votes whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.
- 9.9 The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- 9.10 An Ordinary Resolution to be proposed at a general meeting may be amended by an Ordinary Resolution if:
- (a) notice of the proposed amendment is given to the Association in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 9.11 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution, if:
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - (b) the proposed amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 9.12 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on the resolution.
- 9.13 A resolution in writing signed by all Participating Members for the time being entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Association duly convened and held.

10. VOTES OF MEMBERS

- 10.1 Any instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notary certified or office copy must be deposited or otherwise received at the office of the Association not less than 48 hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll at which it is to be used, and in default the proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution.
- 10.2 A vote given in accordance with the terms of an instrument of proxy shall be valid despite the occurrence, prior to the relevant meeting, of the death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, unless an intimation in writing of the death, insanity or revocation shall have been received at the office of the Association one hour at least before the time fixed for holding the meeting or adjourned meeting at which the proxy is used.

10.3 Any instrument appointing a proxy shall be in such form and may be transmitted by such means as the Council may approve or allow.

The Ethical Code

1. This Code applies to:
 - (a) All members of the Association of Corporate Treasurers (hereinafter referred to as "ACT"), as defined in Bye-laws, namely:
 - (i) Honorary Fellows;
 - (ii) Fellows;
 - (iii) Members;
 - (iv) Associate Members;
 - (v) Corporate Members;
 - (vi) Duly appointed representatives of Corporate Members;
 - (vii) Faculty Members;
 - (viii) Affiliated Members;
 - (ix) Student Members; and
 - (x) Such other members as Council may from time to time determine.
2. For the purposes of this Code any reference to a 'member' includes all persons and bodies corporate to whom this Code applies, as described at paragraph 1. (a) above.
3. This Code sets down principles, which should be followed by all members of the ACT. In the event a member contravenes the Code, a complaint may be made against him under the ACT's Disciplinary Rules and he may become liable to disciplinary action in accordance with those Rules.
4. This Code provides a framework for the conduct of all treasury activities. The fundamental philosophy behind this Code is the view that corporate treasurers should act in accordance with the highest professional standards.
5. The ACT has a significant proportion of members not engaged in corporate treasury management. There are, for example, members in accountancy, banking and other financial occupations, in financial management other than treasury, and in general management and consultancy. Some members are self-employed either on their own or in partnership. As the principal object of the ACT is to serve as the professional body for those engaged in treasury management, this Code deals primarily with the ethical issues of that occupation, but also covers issues which affect members in all occupations.
6. Throughout this Code masculine pronouns are intended to refer to members of either sex.

Fundamental principles

7. The fundamental principles governing the conduct of a member of the ACT are:
 - (a) Integrity, which includes:
 - (i) avoiding conflict between the member's private self-interest and that of his employer or clients;
 - (ii) serving his employer, or, where applicable, his clients, honestly and in good faith;
 - (iii) acting honestly and in good faith towards all those outside his own organisation (in addition to those mentioned above) who deal with him;
 - (iv) fulfilling the duties of trust owed by reason of the actual appointment or appointments held by him; and
 - (v) upholding, in whatever way is appropriate to the member's occupation or appointment, the standards of integrity and fair dealing required for the honest conduct of business and for the effective functioning of the financial markets in which the member or his employer play a part.
 - (b) Independence in making professional judgements and in giving opinions and statements.

- (c) Courtesy and consideration to all with whom he has contact in his professional work.
- (d) Professional competence, which includes:
 - (i) compliance with the technical and professional standards expected of him not only as a member of the ACT, but also by virtue of the seniority and responsibility of his position; and
 - (ii) carrying out his duties with reasonable care and skill, particularly where his failure to do so could adversely affect members of the public, persons, including bankers, dealing with his employer or, where applicable, clients.
- (e) Confidentiality, which includes refraining from disclosing or using for his own purpose or for some other improper purpose confidential information obtained in the course of his employment, in the performance of his duties or through his membership of the ACT (including, for the avoidance of doubt, the ACT's Directory of Members) or other information which he knows to be of a confidential nature.
- (f) Compliance with the laws, regulations and conventions of the countries and markets in which he transacts business, including company law, tax law, exchange control regulations, and regulations to protect the interests of the public dealing in financial and similar markets; in the United Kingdom, for example, these would include the City Code on Take-Overs and Mergers, the Rules and Regulations of the Stock Exchange and Regulations issued under the Financial Services and Markets Act 2000.
- (g) Compliance with the codes and rules of other professional bodies to which the member belongs.

Relationships and duties

8. A member who acts as a treasurer or who manages the treasury function has duties, derived from the fundamental principles set out in paragraph 7, to a number of different classes of people.
 - (a) The first such class is his own employer. The nature of the treasurer's employment can breed conflicts of interest, especially where other parties place special trust in the integrity of the treasurer by virtue of his membership and professional standing. The member must avoid misleading those parties not only by mis-statements, but also by omitting material information. Where this type of conflict of interest causes difficulty, the member should seek legal advice or request guidance from the ACT.
 - (b) Another class of people to whom a duty is owed are members of the public or others likely to read and act on documents which the member prepares for use outside his own organisation. Examples are an offer document, a circular to shareholders or a disclosure letter.
 - (c) A third class is represented by bankers and others with whom a member deals on his employer's behalf in the course of his duties. Here too his professional duty is to honour the trust which such outside parties may reasonably place in him as a member and by virtue of his appointment. Whenever this causes conflicts of interest, he should ensure that the outside parties understand his position clearly, and, if he thinks it appropriate to do so, seek legal advice or guidance from the ACT.
 - (d) A fourth class is his fellow employees, and particularly his junior staff, who look to him as a person of professional integrity.
9. The duties described in paragraph 8 above shall be complied with, so far as applicable, by members working as treasury staff, or engaged in other financial activities.

10. Members who are employed but who are not engaged in the activities covered by paragraphs 8 or 9 above, will have analogous relationships. They too must conduct themselves in those relationships in accordance with the principles and duties contained in paragraphs 7 and 8 above.
11. Members in a professional practice must comply with:
 - (a) 'mutatis mutandis' the principles and duties set in paragraphs 7 and 8 above;
 - (b) the rules of any profession to which they belong; and
 - (c) the normal standards of a professional in practice, including courtesy towards competitors, care on behalf of their client's interests, safeguarding client's funds entrusted to them, and maintaining the respect in which the public holds their profession.
12. In addition, every member has a professional and collegiate relationship with his fellow members of the ACT.
13. It is the duty of every member not to conduct himself in a manner which may bring himself or the ACT into disrepute.

Gifts, services and hospitality

14. The treasurer's role as a buyer of financial and similar services can cause ethical dilemmas in a number of ways. They can arise if a member engaged in treasury management is offered hospitality, commissions or gifts or personal services either free or at less than market prices, or if he conducts personal business with a supplier of financial or other services who also conducts or seeks to conduct business with the member's employer. In such situations a member should comply with the following principles and rules:
 - (a) He must not accept gifts, services or hospitality in any way which could affect, or which might appear to affect, his judgement or loyalty or the proper performance of his duties.
 - (b) He must avoid any impairment of his integrity and independence of judgement, especially in the choice of parties to deal with on his employer's behalf.
 - (c) He must ensure that his employer is aware of and has agreed to any personal business that he may conduct with parties who also conduct or seek to conduct business with his employer, and disclose any benefits thereby received or to be received by him.
15. Members not engaged in treasury management should follow the same principles where analogous issues arise.

The Disciplinary Rules

1. These Disciplinary Rules apply to:
 - (a) All members of the Association of Corporate Treasurers (hereinafter referred to as "ACT"), as defined in the Bye-laws, namely:
 - (i) Honorary Fellows;
 - (ii) Fellows;
 - (iii) Members;
 - (iv) Associate Members;
 - (v) Corporate Members;
 - (vi) Duly appointed representatives of Corporate Members;
 - (vii) Faculty Members;
 - (viii) Affiliated Members;
 - (ix) Student Members; and
 - (x) Such other members as Council may from time to time determine.
2. For the purposes of these Rules, any reference to a 'member' includes all persons and bodies corporate to whom these Rules apply, as described at paragraph 1. (a) above, and the word 'membership' shall be construed accordingly. Throughout these Rules masculine pronouns are intended to refer to members of either sex.

Liability for disciplinary investigation

3. A member is liable to disciplinary investigation if:
 - (a) it is alleged that he is guilty of a breach of the ACT's Ethical Code;
 - (b) he is convicted by any competent court on a criminal charge involving dishonesty, violence or indecency or is found by a competent court in any civil action to have acted fraudulently or dishonestly;
 - (c) he is adjudicated bankrupt or becomes unable to meet his business commitments; or
 - (d) he fails to comply with these Rules.

Penalties

4. Under these Rules a member may be:
 - (a) (i) excluded from membership or from serving as a corporate representative;
 - (ii) suspended from exercising rights of membership for a period of up to two years;
 - (iii) reprimanded;

A Student Member may, in addition or instead, be:

- (b) (i) excluded from being a Student Member and sitting any of the ACT's exams;
- (ii) suspended from being a Student Member and sitting any of the ACT's exams for a period of up to two years.

Complaints and Committee of Investigation

5. Any complaint against a member in respect of any of the matters set out in paragraph 3 above or the occurrence of one of the events therein set out which becomes known to the ACT shall immediately be reported by the Chief Executive to the President who is required forthwith, following consultation with the Chief Executive, to appoint a Committee of Investigation.
6. The Committee of Investigation shall consist of either three or five members of the Council, at least one of whom shall be the Deputy President or the Immediate Past President. One of such persons (to be nominated by the President) shall act as Chairman. The Committee of Investigation shall have power to co-opt not more than two other persons (whether or not

members of the ACT) in order to give specialist or technical advice and the Committee of Investigation may obtain legal advice at any stage in its investigations. Not less than three members of the Committee of Investigation shall constitute a quorum.

7. The Committee of Investigation shall be charged with investigating the complaint, forming a view as to whether a prima facie case has been made out against the member, and making a decision whether in all the circumstances and in its discretion the case ought to go to a Disciplinary Committee.
8. The Committee of Investigation shall have the power to call for, and every member shall have a duty to furnish such information, documents, records or other evidence as the Committee deems necessary for its investigations subject to legal restrictions on matters of confidentiality or legal privilege. If the consent of any other person or party is required for the production of evidence, all persons including the member against whom a complaint has been made will use their best endeavours to obtain such consent.
9. The Committee of Investigation shall conduct its investigations in the strictest confidence. The member concerned shall be advised in writing by the Chairman of the Committee of Investigation of the complaint made against him within 28 days of the complaint being received by the ACT. Such notification to the member concerned shall include details of (i) the nature of the complaint made against him, including, where known, a short summary of the alleged facts upon which the complaint is based; and (ii) the relevant provisions of these Rules and/or the ACT's Ethical Code in respect of which it is alleged he is in breach. The Chairman of the Committee of Investigation may, in his discretion, disclose the identity of the complainant. However, the member concerned shall have no right to require disclosure of the identity of the complainant.
10. The member concerned shall be entitled to make representations in writing and submit relevant documents and / or written witness evidence to the Committee of Investigation, in reply to the complaint against him. In addition, the member concerned and the Chairman of the Committee of Investigation shall each have the right to call for a hearing regarding the complaint.
11. At any such oral hearing before the Committee of Investigation the member concerned shall be entitled to be heard in person and / or be represented by a barrister and / or a solicitor and / or any other person. The member concerned and / or his representative shall be entitled to call witnesses, cross-examine witnesses called against him and address the Committee of Investigation.
12. If the member concerned does not attend any such hearing when so requested by the Chairman of the Committee, then provided the Committee is satisfied that notice of the hearing was properly given to him in accordance with paragraph 50 below, the Committee may deal with the matter in the member's absence.
13. If the Committee of Investigation is satisfied, on a simple majority, that a prima facie case has been made out, and considers that in the light of all the circumstances the matter should be referred to a Disciplinary Committee, it shall formulate and refer a formal complaint to such Committee, together with (i) a summary of the facts upon which the complaint is based; and (ii) copies of any relevant written representations, documents or witness evidence in relation to the complaint; and (iii) a summary of any relevant oral representations or evidence in relation to the Complaint. In the case of an equality of votes, the Chairman of the Committee of Investigation shall have a second or casting vote.
14. In deciding whether to refer a formal complaint to a Disciplinary Committee, the Committee of Investigation shall be entitled to take into account the result of investigations into any previous complaints received by the ACT concerning the member. In the event the Committee of Investigation intends to take account of such matters in reaching its decision, the member concerned shall be notified of the relevant prior complaint(s) and shall be given an opportunity to make any representations he may choose in relation to that prior complaint.

Disciplinary Committee

15. When the Committee of Investigation decides to refer a formal complaint to a Disciplinary Committee, it shall notify the Chief Executive and the President.
16. The Chief Executive shall forthwith notify the Chairman of the Advisory Board who will nominate a Disciplinary Committee.
17. The Disciplinary Committee so nominated shall consist of three or five persons (depending on the recommendation of the Chief Executive) from the Advisory Board. The Disciplinary Committee shall be chaired by the Chairman of the Advisory Board or, in his absence, such person as the nominated members of the Disciplinary Committee shall agree.
18. The Disciplinary Committee:
 - (a) shall not include any Council member, nor any person who has been a Council member in the previous 2 years, nor any person on the executive staff of the ACT nor any person from the Committee of Investigation in relation to the complaint;
 - (b) shall include at least one person who is not a member of the ACT.
19. Following receipt of a formal complaint from the Committee of Investigation, the Chairman of the Disciplinary Committee nominated as aforesaid shall, through the Chief Executive, in accordance with paragraph 50 below, (i) notify the member concerned of the nature of the complaint against him; (ii) provide the member concerned with a copy of the formal complaint and accompanying documents submitted to the Disciplinary Committee in accordance with paragraph 13 above; and (iii) give the member concerned at least 21 days' notice of the time and place of the hearing of the complaint by the Disciplinary Committee.
20. At any such oral hearing before the Disciplinary Committee the member concerned shall be entitled to be heard in person and/or be represented by a barrister and/or a solicitor and/or any other person. The member concerned and/or his representative shall be entitled to call witnesses, cross-examine witnesses called against him and address the Disciplinary Committee.
21. If the member fails to attend any such hearing and the Disciplinary Committee is satisfied that the notice of the hearing was properly served on him in accordance with paragraph 50 below, the Disciplinary Committee may proceed with the hearing in his absence.
22. At any such hearing the complaint shall be presented to the Disciplinary Committee by a person (whether or not a member of the Committee of Investigation or the ACT) nominated by the Committee of Investigation. Such person so nominated by the Committee of Investigation may be a barrister or solicitor. He shall put forward the complaint and the relevant evidence before the Disciplinary Committee and he may call witnesses and cross-examine witnesses called by the member concerned.
23. If the Disciplinary Committee decides, by a simple majority, that the complaint has been proved wholly or in part it shall make an order to that effect. Such an order may, in the Disciplinary Committee's discretion, include such of the penalties set out in paragraph 4 above as it considers appropriate, having regard to the member's status and the Disciplinary Committee's views as to the nature and seriousness of the complaint and such other circumstances as the Disciplinary Committee may consider relevant, except that in the case of any determination involving exclusion from membership under sub-paragraph 4(a)(i) the order shall take the form of a recommendation to the Council that the Council should pass a resolution to that effect in accordance with the Bye-laws. If the Disciplinary Committee is of the opinion that the complaint is wholly unfounded, it shall make an order to that effect. In the case of an equality of votes, the Chairman of the Disciplinary Committee shall have a second or casting vote.
24. Any order of the Disciplinary Committee shall be notified to the member concerned, in accordance with paragraph 50, within 7 days of the date of the order.

25. An order of the Disciplinary Committee shall take effect from the date 21 days after the date of service on the member of the order of the Committee, save in the event that prior to such date the member lodges a valid Notice of Appeal. Notice of the order shall also be given to the Council.

Appeals

26. The member may appeal an order of the Disciplinary Committee by serving a valid Notice of Appeal on the Chief Executive, in accordance with paragraphs 27 and 50 within 21 days of service of the order on the member concerned or such longer period as the Disciplinary Committee may allow.
27. The Notice of Appeal must:-
- (a) state the specific order being appealed;
 - (b) state the order being sought from the Appeal Committee;
 - (c) set out the ground(s) of appeal and the substantive injustice of allowing the order appealed against to stand. The grounds so stated shall not thereafter be amended except with the permission of the Appeal Committee;
 - (d) set out the facts upon which the appeal is based;
 - (e) attach a copy of every document and witness statement that was placed before the Disciplinary Committee in connection with the order appealed against;
 - (f) where appropriate, apply for permission to present any new evidence that was not placed before the Disciplinary Committee in accordance with paragraph 38 below;
 - (g) state the appellant's time estimate for the oral hearing of the appeal;
 - (h) be accompanied by an appeal fee of £500. The appeal fee shall not be repaid to the appellant unless the Appeal Committee allows the appeal.
28. The appeal shall be heard by an Appeal Committee, to be appointed by the Chief Executive as and when the need arises, consisting of three people which shall consist of (i) a lawyer as chairman (who shall be, or have been, a solicitor or barrister qualified in the United Kingdom with at least 10 years' experience in practice and who has had no prior involvement with the complaint), (ii) one Fellow of the ACT and (iii) one non-member of the ACT.
29. The Appeal Committee shall not include (i) any Council member, nor any person who has been a Council member in the previous 2 years, (ii) any person on the executive staff of the ACT, (iii) any member of the Committee of Investigation or Disciplinary Committee who has been concerned with the complaint which is the subject of appeal or any other person who has been so concerned.
30. The Council shall have power to pay remuneration and the reasonable expenses of the members of the Appeal Committee.
31. The Chairman of the Appeal Committee may, upon the application of the appellant or otherwise, make any order, give any direction or instruction considered necessary for the proper conduct of the appeal proceedings, including but not limited to the following:-
- (a) lengthening or shortening any time limit;
 - (b) adapting or dispensing with any procedural steps set out in these Rules;
 - (c) requiring a record to be made of the proceedings or any part of them;
 - (d) requesting any person to attend the hearing;
 - (e) holding a preliminary hearing; and
 - (f) adjourning a hearing for such period and upon such terms as he considers appropriate.

The decision of the Chairman of the Appeal Committee in respect of the matters set out above shall be final.

32. The Appeal Committee shall notify the member of the time and place of the appeal hearing giving at least 28 clear days' notice. The appeal proceedings shall be by way of a re-hearing of

the original complaint or of such part thereof as is the subject of appeal. The Appeal Committee may hear oral evidence from witnesses (as appropriate), subject to the restriction on introduction of new evidence referred to at paragraph 38. The Appeal Committee shall conduct the appeal hearing in such manner as it considers fit.

33. At the oral hearing before the Appeal Committee the member concerned shall be entitled to be heard in person and/or be represented by a barrister and/or a solicitor and/or any other person. The member concerned and/or his representative shall be entitled to call witnesses, cross-examine witnesses called against him and address the Appeal Committee, subject to the restriction on introduction of new evidence referred to at paragraph 38.
34. If the member does not attend the hearing fixed as aforesaid then, provided that the Appeal Committee is satisfied that notice of the hearing was served upon the member as prescribed in paragraph 50, the Appeal Committee may proceed to hear the appeal in the absence of the member.
35. At any such Appeal hearing the complaint may be presented to the Appeal Committee by a person (whether or not a member of the Committee of Investigation or the ACT) nominated by the Committee of Investigation. Such person so nominated by the Committee of Investigation may be a barrister or solicitor. He shall put forward the complaint and the relevant evidence before the Appeal Committee and may call witnesses and cross-examine witnesses called by the appellant.
36. The Appeal Committee may if it sees fit instruct a solicitor or counsel to act as legal advisor to the Appeal Committee on the hearing of any appeal.
37. The Appeal Committee may if it sees fit require a representative or representatives of the Disciplinary Committee to attend the hearing of any appeal to answer questions from the Appeal Committee.
38. On any appeal, the Appeal Committee shall hear new evidence that was not placed before the Disciplinary Committee only where the Appeal Committee has given permission for that new evidence to be presented. An application for permission to present new evidence must be made in writing in the Notice of Appeal, setting out the nature and the relevance of the new evidence and the reason(s) why it was not presented to the Disciplinary Committee at the original hearing. Save in exceptional circumstances, the Appeal Committee shall not grant permission to present new evidence unless it is satisfied with the reason(s) given as to why it was not, or could not have been presented to the Disciplinary Committee and is satisfied that such evidence is relevant. The Appeal Committee's decision as to whether permission shall be granted to present the new evidence shall be final.
39. On any appeal, the Appeal Committee may, by a simple majority, affirm, vary or rescind any order of the Disciplinary Committee or may substitute any other order or orders, on such terms and conditions if any as it thinks appropriate, except that in the case of any order involving exclusion from membership under sub-paragraph 4a(i) the order shall take the form of a recommendation to Council that it should pass a resolution to that effect in accordance with the Articles.
40. Any order of the Appeal Committee shall be notified to the member concerned in accordance with paragraph 50 within 14 days of the date of the order. Notice of the order should also be given to the Council. An order of the Appeal Committee shall take effect upon service of the order on the member in accordance with paragraph 50.
41. There shall be no appeal to any Court of Law or otherwise from an order or other decision of the Appeal Committee or, in the case of an order recommending exclusion from membership, from any resolution of Council affirming such order, except where the member would be entitled to do so under the general law.

Costs

42. Any order made by the Disciplinary Committee under paragraph 23 above, including an order that no further action be taken, may direct that the member pay a sum to be specified by way of costs to the ACT. In the event that the Disciplinary Committee shall find that the complaint is unfounded, it may direct that the ACT pay a sum to be specified by way of costs to the member.
43. Any costs payable by the member shall be paid within 21 days of the date of the service of the order save that, if valid notice of appeal is given (in accordance with paragraphs 27 and 50), such costs shall not be payable until determination of the appeal and shall then be subject to any order made by the Appeal Committee. Any such costs payable by the ACT shall be paid within 21 days of the date of the order of the Disciplinary Committee.
44. The Appeal Committee may in its order cancel, reduce or increase any costs order made by the Disciplinary Committee, and may direct that the member pay to the ACT or the ACT pay to the member, as the case may be, a sum to be specified by way of costs of the appeal.
45. Any costs ordered by the Appeal Committee under paragraph 44, together with any costs due under paragraphs 42 and 43, varied, if such be the case, by the Appeal Committee, shall be paid to or by the ACT within 21 days of the date of service on the member of the order of the Appeal Committee.

Publication

46. Whenever the Disciplinary Committee makes an order under paragraph 23 above it shall, at its discretion but subject to paragraph 49, cause its order to be published in such manner as it thinks fit, provided that if the Disciplinary Committee has ordered that no further action be taken on the complaint and/or that the complaint is unfounded, the order shall not be published unless the member so requests.
47. The Appeal Committee shall cause any order made by it to be published as soon as practicable in such a manner as it thinks fit, provided that if the Appeal Committee has ordered that no further action be taken on the complaint and/or that the complaint is unfounded, the order shall not be published unless the member so requests.
48. Unless the Disciplinary Committee, or as the case may be, the Appeal Committee in its absolute discretion otherwise directs, any such publication shall state the name of the member and the order or orders made against him, but need not include the name of any other person concerned in the complaint or appeal.
49. No publication under paragraph 46 shall be made until after the expiry of the appeal period referred to in paragraph 26 above and in the event that valid notice of appeal is given (in accordance with paragraphs 27 and 50) then, unless the appeal is abandoned, no publication under paragraph 46 shall take place but publication shall be under paragraph 47.

Notices

50. Any notice or order required or authorised to be given or served under these Disciplinary Rules shall be given or served by pre-paid letter sent in the case of the ACT to the Chief Executive at the registered office for the time being of the ACT and in the case of a member to his last known address. Any notice or order so given or served shall be deemed to have been given or served 48 hours after it has been posted.

Resigning/Former Members

51. As provided in the Bye-laws, the Council is not obliged to accept the resignation of a member in respect of whom a complaint has been referred to the Council or any committee appointed by it under these Rules until such complaint has been finally resolved in accordance with these Rules.

52. Former members of the ACT remain liable to disciplinary action in accordance with these Rules (notwithstanding the cessation of their membership), to the extent that the relevant matters complained of occurred at a time when they were a member of the ACT.