

**THE INSTITUTE OF INTERNAL AUDITORS**  
**SINGAPORE**

**BY-LAWS**

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# **THE INSTITUTE OF INTERNAL AUDITORS SINGAPORE**

## **BY-LAWS**

### **ARTICLE 1 - NAME AND LOCATION**

**Section 1** This society shall be known as "The Institute of Internal Auditors Singapore" (hereinafter referred to as the Institute), a national institute affiliated with the Global IIA.

**Section 2** The place of business of the Institute shall be at 10 Anson Road, #10-13A International Plaza, Singapore 079903, or such other place as may subsequently be decided upon by the Board and approved by the Registrar of Societies. The Institute shall carry out its activities only in places and premises which have the prior written approval from the relevant authorities, where necessary.

### **ARTICLE 2 - OBJECTIVES OF THE INSTITUTE**

**Section 1** The Institute has as its mission to be the primary body in Singapore representing, promoting and developing the professional practice of internal auditing.

**Section 2** In meeting this mission, the principal objectives shall include, but shall not be limited to, the following:

- 2.1 To provide practicing internal auditors with a forum for exchanging ideas and expertise on matters of common interest;
- 2.2 To develop the professional skills of practicing internal auditors;
- 2.3 To enhance the usefulness of practicing internal auditors to the management they serve;
- 2.4 To enhance the professional status of internal auditing in Singapore;
- 2.5 To seek to develop a mutual understanding between interested parties of the possibilities and benefits of professional internal auditing.

**Section 3** The Institute is empowered to perform any and all acts which are defined in the By-Laws of the Institute and shall do nothing which is inconsistent with their provisions and with the pronouncements and resolutions incorporated in the minutes of Institute meetings.

### **ARTICLE 3 - DEFINITIONS AND INTERPRETATION**

#### **Section 1 Definitions**

In these By-Laws, unless the context otherwise requires, the following words/terms shall have the meaning below:

"Institute" means The Institute of Internal Auditors Singapore.

"IIA Inc." means The Global IIA headquartered in Florida, USA.

"Board" means Board of Governors of The Institute of Internal Auditors Singapore.

"Officers" means Office-bearers of the Board.

"Financial year" means period from 1st June in any one year to 31st May in the following year.

"Singaporean" means A citizen or Permanent Resident of Singapore.

**Section 2** The Board shall interpret the provisions of the By-Laws and where necessary, determine any point on which the By-Laws are silent. The decisions of the Board shall be binding on all members of the Institute unless and until countermanded by a resolution at an annual or special meeting.

**Section 3** Words importing the singular number include the plural number and vice versa and words importing the masculine gender include (where the context admits) the feminine gender.

#### **ARTICLE 4 - MEMBERSHIP**

**Section 1** The Institute membership shall consist of persons duly admitted to any of the classes of membership, as defined in Section 2 of this article, who are located in Singapore; and in special cases any others not located in Singapore, at the discretion of the Board.

#### **Section 2 Classes of Membership**

The membership of the Institute shall consist of seven classes of membership, as follows:

##### 2.1 Honorary Member

The conferring of **Honorary Member** of the Institute may be determined by the Board at their discretion upon persons who:

- by virtue of their esteemed position and character in public or business life would enhance the stature of the Institute; or
- have, in the opinion of the Board, rendered exceptional service to the Institute.

##### 2.2 Fellow Member

The conferring of **Fellow Member** of the Institute may be determined by the Board at their discretion upon persons who have achieved distinction in their profession and who have made valuable contributions to internal auditing and to the Institute, provided that the conferees:

- have been Ordinary Members or Associate Members of the Institute continuously for a period of at least five (5) years;
- have had at least eight (8) years of internal auditing experience, of which five (5) years must have been in a senior position; and
- is a current member of the Institute.

##### 2.3 Ordinary Member

The class of **Ordinary Member** of the Institute shall be open to persons who perform internal audit functions, no matter by what titles they are designated, provided that they possess a recognised degree and/or professional qualification with at least one (1) year of practical experience in internal audit or other auditing areas to be evaluated by the Admissions Committee.

##### 2.4 Associate Member

The class of **Associate Member** of the Institute shall be open to those in public accounting practice, non-practicing accountants and to others at the discretion of the Admissions Committee, provided such persons cannot qualify as Ordinary Members.

##### 2.5 Student Member

The class of **Student Member** of the Institute shall be open to those engaged in the study of internal auditing or related courses who cannot qualify as an Ordinary Member or an Associate Member.

## 2.6 Retired Member

The class of **Retired Member** of the Institute shall be open to members in good standing who have retired from full-time employment or business, but wish to retain their links with the Institute.

## 2.7 Corporate Member

The class of **Corporate Member** of the Institute shall be open to any legally incorporated or registered body in Singapore under an Act of Parliament of Singapore.. The Corporate Member may appoint corporate nominees who shall comprise of:

- staff of the Internal Audit Department who qualify as Ordinary or Associate member; and/or
- members of the Audit Committee who qualify as Associate members.

## Section 3 Admission

3.1 Admission to all classes of membership shall be at the discretion of the Board.

3.2 Except for admission as an Honorary Member or Fellow Member, all membership for other classes of membership shall be by way of application, on a prescribed form.

## Section 4 Acceptance of Code of Ethics

4.1 All members are required to comply with the IIA Inc. *Code of Ethics* as set forth in Appendix A of the By-Laws.

## Section 5 Termination of Membership

5.1 Membership of the Institute shall automatically lapse if a person fails to pay the annual membership subscription by 31<sup>st</sup> July each year or other sums due to the Institute within three (3) months of the date of first notification of sums due.

5.2 Membership of the Institute shall terminate on transfer of the member's affiliation to another National Institute or Chapter of IIA Inc..

5.3 Any member who:

- a) violates or breaches the Code of Ethics of IIA Inc. or any rules of the Institute; or
- b) is convicted of a felony or misdemeanour or is finally declared by any Court of competent jurisdiction to have committed a fraud; or
- c) has been found guilty of any act or default of any nature so as to render him unfit to continue as a member of the Institute; or
- d) is adjudged bankrupt, or fails to satisfy a judgment debt, or individually or as a partner makes an assignment for the benefit of creditors, or under any resolution of creditors or Order of the Court or any deed or document has his estate placed in liquidation for the benefit of creditors, or makes any arrangement for the payment of a composition of creditors; or
- e) is adjudged of infirm mind;

shall, depending on the gravity of the offence, be admonished, be suspended for a period to be determined by the Board, or be excluded from membership.

5.4 The Board may appoint any three (3) of its members to sit on a Disciplinary Committee to consider offences under section 5.3 of this article.

5.5 The Disciplinary Committee may, after receiving an explanation from the member, either dismiss such charge or impose such punishments as are provided by these By-Laws. The Disciplinary Committee shall have the power to review all documents of the proceedings and may in its discretion require such evidence as it deems fit. Upon completion of such review, the Committee shall inform the Board of its decision and shall proceed to notify the members involved of the decision in writing accordingly.

5.6 Any member aggrieved by the decision of the Disciplinary Committee may appeal to the Board whose decision is final.

5.7 The decision of the Board shall be sent to the member forthwith.

5.8 If any person ceases, for any cause whatsoever, to be a member of the Institute, he shall forfeit all rights, privileges and claims against the Institute but shall continue to be liable to the Institute for any outstanding debts.

### **Section 6 Voting**

6.1 Ordinary Members, Associate Members, Fellow Members and Nominees of Corporate Members who have paid the annual subscriptions in full are eligible to vote during General Meetings. Honorary Members and Student Members are not eligible to vote during General Meetings.

6.2 At any Membership Meeting, a resolution put to the vote of the meeting shall be decided by a show of hands.

6.3 Subject as hereinafter provided, every member entitled to vote shall have one vote.

6.4 In the case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.

6.5 A member whose subscription is in arrears shall not be entitled to vote.

## **ARTICLE 5 - EXAMINATIONS**

**Section 1** The Board may conduct such examinations for admission as an Ordinary Member of the Institute and/or for the professional development of the members in internal auditing and shall have full discretion in the management of such affairs including determining the syllabus, the setting of standards and the fees payable.

**Section 2** The Board may exempt any member from the whole or any part of the prescribed examinations on the grounds that the member has passed an examination which, in the opinion of the Board, is of equivalent standard to the prescribed examinations.

## **ARTICLE 6 - DESIGNATIONS**

**Section 1** The Board may permit Ordinary Members of the Institute to use after their names the words "Member of The Institute of Internal Auditors Singapore" or the letters "MIIA", whilst they remain an Ordinary Member of the Institute. If used outside of Singapore the designation should be stated as "MIIA (Singapore)".

**Section 2** Any members conferred as Fellow Members of the Institute shall be permitted to use after their names the words "Fellow of The Institute of Internal Auditors Singapore" or the letters "FIIA", whilst they remain members of the Institute. If used outside of Singapore the designation should be stated as "FIIA (Singapore)".

**Section 3** Save as aforesaid, no member shall use or cause to be used, any words or letters in conjunction with his or her name to indicate that he or she is a member of the Institute, except for those who were approved by the Board at the time these By-Laws came into effect.

## **ARTICLE 7 - BOARD OF GOVERNORS AND THEIR ELECTION**

**Section 1** The determination of the policies of the Institute shall be vested in the Board.

### **Section 2 Board Composition**

2.1 The Board shall be composed of twelve (12) elected Governors as follows:

a) Officers:

- President
- Two (2) Vice Presidents
- Treasurer
- Secretary

b) Seven (7) non-office bearing Governors

2.2 The Immediate Past President, provided he or she remains a member of the Institute, shall be an ex-officio member of the Board.

2.3 No person shall hold more than one (1) office at a time.

2.4 At any time, the Board shall contain not more than three (3) members who are neither Ordinary Members nor Fellow Members.

2.5 At any time, a two-thirds (2/3) majority of the Board shall be Singaporean.

2.6 The President of the Institute shall be Singaporean.

2.7 All office bearers shall be Ordinary Members or Fellow Members.

### **Section 3 Election of Governors (Office and Non-office bearers)**

3.1 Only Ordinary Members, Associate Members, Fellow Members and Nominees of Corporate Members are eligible for election as a Governor.

3.2 Nominations shall be made by the Nominating Committee and in addition, may be made by members. All nominations for the Board made by members must be made on a prescribed form which must be signed by the candidate for election as signifying the candidate's willingness and eligibility to accept office. Such nominations shall be duly signed by a proposer and seconder and be submitted to the Secretary not less than seven (7) calendar days before the commencement of the annual meeting.

3.3 Where, due to the withdrawal of a candidate before election or due to any other cause, there is insufficiency of candidates to fill the vacant positions, such nominations may be taken from the floor at the annual meeting.

3.4 The absence of a candidate at the annual meeting, shall not prevent a candidate from being elected to the Board.

3.5 Governors shall be elected at the annual meeting each year and shall hold office until the next following annual meeting of the Institute, unless the term of office shall terminate or be terminated as provided elsewhere in these By-Laws.

3.6 Election of Governors at the annual meeting shall be by written ballot of members present and voting or by show of hands should the members decide, except when a candidate's nomination is unopposed.

3.7 Where the ballot returns a Board in contravention of Sections 2.4 and/or 2.5 of this article, those nominated candidates with the greatest number of votes, up to the maximum permitted by sections 2.4 and 2.5 of this article, shall be returned. In the event of a tie, nominated Singaporeans shall take preference over nominations who are not Singaporean, nominated Ordinary Members and nominated Fellow Members shall take preference over nominated Associate Members. If the tie remains unresolved, the matter will be resolved by a separate written ballot for the tied, nominated candidates.

**Section 4** All members and Governors are eligible for re-election provided that both the President and Treasurer shall not serve more than three (3) consecutive terms.

### **Section 5 Removal, Resignation and Vacation of Office**

5.1 Any Governor may be removed for a cause by a two-thirds (2/3) vote of the Board, provided that the Governor shall have been granted an opportunity for a hearing before the Board. The Board shall call a special meeting of the Institute to be held not less than fourteen (14) nor more than thirty (30) calendar days from the date when any such removal be voted. At such special meeting, the Board shall make a full and complete report of the action taken in removing the Governor or Governors and the reasons for such action. At such meeting, the office or offices made vacant by such action of the Board shall be filled. A Governor removed by the Board may be re-elected by the members and, if so re-elected, may not again be removed by the Board for the same offence.

5.2 Any Governor may be removed by a two-thirds (2/3) vote of the members of the Institute present at any duly held meeting convened upon written petition of one-fifth (1/5) of the members having a right to vote, provided notice of such proposed action shall have been incorporated in the notice for the meeting.

5.3 A Governor may be deemed to have resigned for the failure to attend three consecutive Board Meetings without valid reasons acceptable to the Board, provided that he or she has been granted an opportunity of being heard.

5.4 In the event of any vacancy arising in the Board by reason of death, resignation or otherwise, except the President or as provided in Sections 5.1 or 5.2 of this article, the Board is empowered to fill such office for the unexpired term of the office so vacated. One of the two Vice Presidents shall be appointed by the Board to perform the duties of the President for the unexpired term of the office so vacated. Any changes in the Governors shall be notified to the Registrar of Societies within two (2) weeks of the change.

5.5 If a Governor ceases to be a member of the Institute for whatever reason, his office as Governor shall automatically become vacant.

5.6 The resignation of any Governor shall be tendered to the Board and may be resolved at any regular or special meeting of the Board.

### **Section 6 Board Meetings**

6.1 The Board shall meet at least quarterly at such times and places as it may elect. The quorum shall be not less than half (1/2) of the total number of Governors. Notice of the meetings of the Board shall be mailed, emailed or faxed by the Secretary at least seven (7) calendar days before the date fixed for the meeting or as the Board may otherwise direct, but failure to give due notice shall not invalidate the meeting or any business transacted or action taken thereat.

6.2 At all meetings of the Board of Governors the majority vote of Governors present and voting will decide all issues. In the event of a tied vote the President shall have a casting vote.

6.3 In case of emergency, action may be taken by the Board by fax or E-mail. There must be concurrence of 2/3 majority of the Board, and such action shall be reported in the minutes of the next meeting.

6.4 Governors may attend the Board meetings via teleconferencing.

**Section 7** The Governors of the Institute shall receive no salaries or fees for their services. Governors may be reimbursed for expenses incurred in the performance of their duties subject to such approval as may be determined by the Board.

**Section 8** The Board shall be the governing body of the Institute and its actions shall be final, unless otherwise specifically provided by the By-Laws.

**Section 9** In the event of any dispute arising amongst members, Governors shall attempt to resolve the matter at a special or annual meeting in accordance with the rules in the By-Laws. Should the members fail to resolve the matter, they may bring the matter to a court of law for settlement.

## **ARTICLE 8 - DUTIES OF OFFICERS**

**Section 1** The Institute President shall be the executive head of the Institute and, when present, shall preside at all meetings of the Institute and of the Board. He shall be responsible for the enforcement of the By-Laws of the Institute and proceedings of the Board. He shall keep the Board and IIA Inc. fully informed of the affairs of the Institute and shall consult the Board and/or IIA Inc., when necessary, concerning the business of the Institute and its activities.

**Section 2** The Institute Vice-Presidents shall have such duties and powers as may be prescribed by the Board or delegated by the President. In the absence or disability of the President, one of the Vice-Presidents shall be appointed by the Board to perform the duties of the President.

**Section 3** The Institute Treasurer shall be charged with the custody of the funds of the Institute and their proper disbursement, under any rules prescribed by the Board. He shall submit periodic and other reports as required by the Board or as required by IIA Inc. At the termination of his office, the Treasurer shall turn over to the Board all funds, records, papers, books and documents and other transactions or business of the Institute which may have come into his possession or may have been compiled or created during his term of office.

**Section 4** The Institute Secretary shall perform such duties as are delegated by the President or prescribed by the Board. He shall submit reports as required by the Board or as required by IIA Inc.. He shall notify each member of the Institute of all meetings and shall do any and all other things normally required of a Secretary to keep the Board, IIA Inc. and members informed of the affairs of the Institute. The Secretary shall maintain or cause to be maintained, a database containing the particulars of each member. At the termination of his term of office, he shall turn over to the Board all records, papers, books and documents and all the property of the Institute which may have come into his possession or may have been compiled or created during his term of office.

**Section 5** If at any meeting of the Institute or of the Board, the Institute President be absent and no person authorised his duties is present, or if the Institute Secretary be absent, then a Chairman or Secretary pro-tern or both as may be needed shall be appointed by a majority vote of the members present and voting.

## **ARTICLE 9 - COMMITTEES**

### **Section 1 Audit Committee**

1.1 An Audit Committee, appointed by the Board, consisting of a minimum of three (3) members who are not governors.

1.2 The Audit Committee shall be responsible for fulfilling all such duties normally assigned to an Audit Committee including, but not limited to, recommending to the Board a firm of Public Accountants to review and report upon the financial transactions of the Institute for the financial year.

## **Section 2 Nominating Committee**

2.1 A Nominating Committee consisting of the President and at least four (4) other members shall be appointed by the Board. The Nominating Committee shall not contain a majority of members who are also members of the Board.

2.2 The Nominating Committee shall present to the Secretary, a list of nominations for election to the Board in time for him to issue it to the members of the Institute for consideration at the Annual Meeting.

## **Section 3 Standing Committees**

3.1 At the discretion of the Board of Governors, there shall be the following Committees.

- Membership Committee
- Admissions Committee
- Public Relations Committee
- Education Committee
- Certification Committee
- Library Committee
- Editorial Committee
- Other Committees deemed appropriate

3.2 The Chairperson of each Standing Committee shall be appointed by the President with the approval of the Board from amongst the Governors who in the discharge of his function and subject to the approval of the President may co-opt other Governors and/or other members to assist him/her.

3.3 The Standing Committees shall report to the President and shall be responsible for the functions set out in terms of reference approved by the Board. They shall have such other duties as the Board may prescribe.

**Section 4** There shall be such other committees as may be authorized and directed by the Board or by the members in annual or special meetings, the members of the committees to be appointed by the President, subject to the approval of the Board, by the Board, or by the members.

**Section 5** The President shall be a member of the Nominating Committee and an exofficio member of all other committees, except the Audit Committee.

**Section 6** A member of any committee may be removed at the discretion of those appointing such member.

**Section 7** The majority of each committee shall constitute a quorum thereof.

**Section 8** The President is empowered, subject to the approval of the Board, to appoint any committee or institute any procedures which it deems necessary for furthering the activities of the Institute.

## **ARTICLE 10 - MEMBERSHIP MEETINGS**

**Section 1** The Board shall have the power to fix the time and place of each annual meeting and each special meeting of the Institute, subject only to the provisions contained elsewhere in the By-Laws.

**Section 2** The annual meeting of the Institute shall be held within 3 months from the end of the financial year. Members shall be given not less than fourteen (14) calendar days written notice by circular letter or email, such notice to specify the time and place of the meeting, the business to be discussed and the audited annual accounts made up to the end of the previous financial year. The business to be discussed shall include, inter alia:

- to receive and adopt the President's Report;
- to receive and adopt the audited accounts of the Institute for the previous financial year;
- to appoint the Board for the following term;
- to appoint and approve the remuneration of the external auditors;
- to transact any other business of which seven (7) calendar days notice has been given in writing to the Secretary.

**Section 3** The Institute's financial year shall be from 1st June in any one year to 31st May in the following year.

**Section 4** At all Institute meetings, a majority vote of all eligible members present and voting will decide all issues except as provided elsewhere in the By-Laws.

**Section 5** A special meeting of the members may be called by the Board or by the requisition in writing of not less than one-fifth (1/5) of the voting members upon giving to the members not less than fourteen (14) calendar days written notice by circular letter or email, such notice to specify the time and place of the meeting and the business to be discussed. A special meeting requisitioned by the members shall be held within thirty (30) calendar days of receipt of such requisition by the Secretary.

**Section 6** Communications to members shall be deemed to be delivered without proof of posting if sent by ordinary mail or email to their last known addresses registered with the Institute.

**Section 7** At the annual meetings, a quorum shall be 1/5 of the total membership or fifty (50) members having a right to vote, whichever is the lesser.

**Section 8** At special meetings, a quorum shall be twenty five (25) members having a right to vote.

**Section 9** If, within thirty (30) minutes of the time appointed for the commencement of the annual meeting, there shall be no quorum present, the meeting shall be adjourned for 30 minutes. Should the number then present be insufficient to form a quorum, those present shall be considered a quorum for all purposes of the meeting, save that they shall not be empowered to alter, amend or make additions to any of the existing provisions in the By-Laws.

**Section 10** The Board may submit proposals for consideration and approval by the membership in ordinary mail or email referendums. A majority of members voting shall be necessary for approval of the proposals, except where inconsistent with provisions contained elsewhere in the By-Laws.

## **ARTICLE 11 - RULES OF PROCEDURE AT MEETINGS**

**Section 1** The rules of procedure at meetings of the Institute, the Board of Governors and of Committees shall be in accordance with the Revised Robert's Rules of Order, so far as is applicable and when not inconsistent with these By-Laws.

**Section 2** The rules of procedure may be suspended by a two-thirds (2/3) vote of those present and voting at any meeting.

## **ARTICLE 12 - FINANCIAL PROVISIONS**

### **Section 1 Membership Dues**

1.1 Membership dues shall comprise an entrance fee and an annual subscription and shall be fixed by the members in annual or special meeting.

1.2 Persons admitted to membership during the course of the financial year shall be liable for the entrance fee and subscription appropriate to their class of membership.

1.3 The annual subscription is payable in May each year.

1.4 For members admitted in the second half of the financial year, the annual subscription will be one-half (1/2) of the prevailing annual subscription.

**Section 2** Subject to the following provisions in this Article, the funds of the Institute may be expended for any purpose necessary for carrying out the objectives of the Institute, including but not limited to, the expenses of its administration, the payment of fees, allowances and expenses to any supplier or contracted party and the payment of salaries, allowances and expenses to any staff employed by the Institute, but they shall not be used to pay the fine of any member who may be convicted in a court of law.

**Section 3** No single expense in excess of ten thousand Singapore dollars (S\$10,000) shall be incurred without either the sanction or ratification of the Board.

**Section 4** The Board shall, for each financial year, recommend a public accounting firm to express an opinion on the financial statements of the Institute, and it would be the Members who appoint them at a General Meeting.

### **Section 5 Staff**

5.1 The Board shall appoint the Secretariat of the Institute and such other officials or agents as the Board may deem necessary on such terms and conditions as to remuneration and otherwise as the Board shall think fit and may remove any of them. Subject to these By-Laws, the Board shall determine the duties of the Secretariat and such other officials, or agents.

## **ARTICLE 13 - AMENDMENTS TO BY-LAWS**

**Section 1** The By-Laws may be amended or repealed at any annual or special meeting of the Institute by a two-thirds (2/3) vote of members present and voting together with members voting by proxy, provided that written notice of the proposed change and of the meeting has been mailed or emailed to the members at least fourteen (14) calendar days previous to the date of the said meeting and that at least twenty five (25) members are present at such meeting.

**Section 2** The amended By-Laws shall not come into force without the prior approval of the Registrar of Societies.

## **ARTICLE 14 - PROHIBITIONS**

**Section 1** Gambling of any kind, whether for stakes or not, is forbidden on the Institute's premises. The introduction of materials for gambling or drug taking and of bad characters into the premises is prohibited.

**Section 2** The funds of the Institute shall not be used to pay the fines of members who have been convicted in Court.

**Section 3** The Institute shall not engage in any trade union activity as defined in any written law relating to trade unions for the time being in force in Singapore.

**Section 4** The Institute shall not attempt to restrict or interfere with trade or make directly or indirectly any recommendation to, any arrangement with its members which has the purpose or is likely to have the effect of fixing or controlling the price or any discount, allowance or rebate relating to any goods or service which adversely affect consumer interests.

**Section 5** The Institute shall not indulge in any political activity or allow its funds and/or premises to be used for political purposes

**Section 6** The Institute shall not hold any lottery, whether confined to its members or not, in the name of the Institute or its office-bearers, Board, Committees or members unless with the prior approval of the relevant authorities.

**Section 7** The Institute shall not raise funds from the public for whatever purposes without the prior approval in writing of the Head, Licensing Division, Singapore Police Force and other relevant authorities.

## **ARTICLE 15 - LIMITATION OF LIABILITIES AND INDEMNIFICATION**

**Section 1** Nothing herein shall constitute members of the Institute as partners for any purpose. No member, officer, agent, or employee of The Institute shall be liable for any acts or failure to act on the part of any other member, officer, agent, or employee of the Institute. Nor shall members, officers, agents, or employees be liable for their acts or failure to act under these By-Laws, excepting only acts or omissions to act arising out of their willful misfeasance.

**Section 2** Officers or governors of the Institute or former officers or governors of the Institute shall be reimbursed against the reasonable expenses actually and necessarily incurred in connection with the defence of any action, suit, or proceeding in which they or any of them are made parties, or a party, by reason of having been officers or governors of the Institute except in relation to matters as to which such officers or governors or former officers or governors shall be adjudged in such action, suits or proceedings to be liable for gross negligence or misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability.

## **ARTICLE 16 - DISSOLUTION**

**Section 1** The Institute shall not be dissolved, except with the consent of not less than three-fifths (3/5) of the total voting membership of the Institute for the time being resident in Singapore expressed, either in person or by proxy, at an annual or special meeting convened for the purpose.

**Section 2** In the event of the Institute being dissolved as provided above, all debts and liabilities legally incurred on behalf of the Institute shall be fully discharged, and the remaining funds will be donated to charitable organisations or divided equally among members.

**Section 3** A Notice of Dissolution shall be given within seven (7) calendar days of the dissolution to the Registrar of Societies.

# The Institute of Internal Auditors

## Code of Ethics

### INTRODUCTION

The purpose of The Institute's Code of Ethics is to promote an ethical culture in the profession of internal auditing.

*Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.*

A code of ethics is necessary and appropriate for the profession of internal auditing, founded as it is on the trust placed in its objective assurance about risk management, control, and governance. The Institute's Code of Ethics extends beyond the definition of internal auditing to include two essential components:

1. Principles that are relevant to the profession and practice of internal auditing;
2. Rules of Conduct that describe behavior norms expected of internal auditors. These rules are an aid to interpreting the Principles into practical applications and are intended to guide the ethical conduct of internal auditors.

The Code of Ethics together with The Institute's *Professional Practices Framework* and other relevant Institute pronouncements provide guidance to internal auditors serving others. "Internal auditors" refers to Institute members, recipients of or candidates for IIA professional certifications, and those who provide internal auditing services within the definition of internal auditing.

### APPLICABILITY AND ENFORCEMENT

This Code of Ethics applies to both individuals and entities that provide internal auditing services.

For Institute members and recipients of or candidates for IIA professional certifications, breaches of the Code of Ethics will be evaluated and administered according to The Institute's Bylaws and Administrative Guidelines. The fact that a particular conduct is not mentioned in the Rules of Conduct does not prevent it from being unacceptable or discreditable, and therefore, the member, certification holder, or candidate can be liable for disciplinary action.

### PRINCIPLES

Internal auditors are expected to apply and uphold the following principles:

#### **Integrity**

The integrity of internal auditors establishes trust and thus provides the basis for reliance on their judgment.

## **Objectivity**

Internal auditors exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgments

## **Confidentiality**

Internal auditors respect the value and ownership of information they receive and do not disclose information without appropriate authority unless there is a legal or professional obligation to do so.

## **Competency**

Internal auditors apply the knowledge, skills, and experience needed in the performance of internal auditing services.

## **RULES OF CONDUCT**

### **1. Integrity**

Internal auditors:

- 1.1. Shall perform their work with honesty, diligence, and responsibility.
- 1.2. Shall observe the law and make disclosures expected by the law and the profession.
- 1.3. Shall not knowingly be a party to any illegal activity, or engage in acts that are discreditable to the profession of internal auditing or to the organization.
- 1.4. Shall respect and contribute to the legitimate and ethical objectives of the organization.

### **2. Objectivity**

Internal auditors:

- 2.1. Shall not participate in any activity or relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the organization.
- 2.2 Shall not accept anything that may impair or be presumed to impair their professional judgment.
- 2.3 Shall disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.

### **3. Confidentiality**

Internal auditors:

- 3.1 Shall be prudent in the use and protection of information acquired in the course of their duties.
- 3.2 Shall not use information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organization.

#### 4. Competency

Internal auditors:

4.1. Shall engage only in those services for which they have the necessary knowledge, skills, and experience.

4.2 Shall perform internal auditing services in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

4.3 Shall continually improve their proficiency and the effectiveness and quality of their services.

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Adopted by The IIA Board of Directors, June 17, 2000

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Permission is hereby given to duplicate and translate this Code provided no substantive changes are made.

**Nomination Form for Board of Governors 20 /20**

Name of Nominee \_\_\_\_\_

Membership no.: \_\_\_\_\_ Class of membership (note 1) \_\_\_\_\_

Is the nominee a Singaporean (see note 2) ?      Yes / No

Brief description of qualifications and internal auditing experience

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

note 1 – specify whether ordinary / associate / fellow / nominees of corporate member  
note 2 – under the By-laws a Singaporean is defined to include permanent resident

**Proposed by**

Name \_\_\_\_\_

Membership no.: \_\_\_\_\_ Class of membership (note 1) \_\_\_\_\_

Signature : \_\_\_\_\_

**Seconded by**

Name \_\_\_\_\_

Membership no.: \_\_\_\_\_ Class of membership (note 1) \_\_\_\_\_

Signature : \_\_\_\_\_

**>>>>>> PLEASE COMPLETE AND RETURN BY XXXXXX <<<<<<<<<**

Submit Form to:      **The Institute of Internal Auditors Singapore  
c/o The Secretariat**

10 Anson Road, #10-13A International Plaza, Singapore 079903 Tel: 6324 9029, Fax: 6220 5972

Official use only.

Date received (to be completed & signed by Secretariat) : \_\_\_\_\_