



REGULATIONS OF
THE INSURANCE INSTITUTE OF SOUTH AFRICA

**THIS LATEST SET OF REGULATIONS WAS APPROVED BY
THE BOARD OF THE IISA AT A BOARD MEETING ON THE
2013**



CONTENTS AND INDEX

Clause	Heading/Subject Matter	Page
1	General	3
2	Definitions	3
3 – 3.4	Eligibility for Election to Professional and General Membership	4
3.5	Fellows	5
3.6	Associates	5
3.7	Licentiates	5-6
3.8	General Members	6
4	Financial Policy and Governance	6
4.1	Accounting Records and Reports	6-7
4.2	Internal Financial Control	7
4.3	Election of honorary Treasurer	7-8
4.4	Membership and Fees	8
4.5	Funds Deposited with the Institute	8
4.6	Purchases by Card	8-9
4.7	Threshold Values for Purchasing	9
4.8	Reimbursements	10
4.9	Staff Functions and Gifts	10
4.10	Handling of Cash and Deposits	10-11
4.11	Petty Cash	11
4.12	Asset Register	11-12
4.13	Income Tax	12
5	Disciplinary and Appeal Committees and Procedures	12
5.1	Procedures	12
5.2	Duties and Powers of the Disciplinary Committee	13
5.3	Procedure – All Disciplinary Matters	14
5.4	Disciplinary Hearing	15-16
6	Appeal Committee	17
7	Appeal Hearing	17
8	Advice Regarding procedure	18
9	Annexure “A” – IISA Membership and Allied Qualifications as at August 2013.	20

1. GENERAL

These Regulations are made in accordance with the Constitution and Memorandum of Incorporation of the Insurance Institute of South Africa NPC (“the Institute”) with which they should be read.

Included in these Regulations are the Institute’s Disciplinary Regulations and Disciplinary Procedure Rules and these documents should be read together. In the event of any inconsistency or conflict between the provisions of the Constitution and the Regulations and the Disciplinary Procedure Rules, the provisions of the Constitution shall prevail followed by the provisions of the Regulations; the decision of the Constitution and Regulations Committee in regard to any such inconsistency or conflict shall prevail.

In these Regulations, unless the context otherwise requires: -

- 1.1 Words denoting the masculine gender include the feminine and vice versa;
- 1.2 Words in the singular include the plural and vice versa; and
- 1.3 References to persons include references to companies, authorities, boards, departments or other bodies.

Words in these Regulations have the same meanings as in the Constitution; and references herein to, Fellows, Associates, Licentiates, General Members and meetings are to the Fellows, Associates, Licentiates and General Members and meetings of the Insurance Institute of SA.

2. DEFINITIONS

- 2.1 “Constitution” shall mean the Constitution of the Insurance Institute of South Africa;
- 2.2 Terms and expressions defined and described in the Constitution shall have the same meaning and description when used in the Regulations;
- 2.3 The interpretations of those Regulations shall be done *mutatis matandis* in accordance with the interpretation provisions as detailed in the Constitution.

3. ELIGIBILITY FOR ELECTION TO PROFESSIONAL AND GENERAL MEMBERSHIP

Members shall be such persons wholly or mainly engaged or employed in work related to or connected with insurance, or being retired from active or full-time employment, but at the time of retirement, or for a substantial part of their working life time were wholly or mainly engaged in work connected with insurance.

Members shall comply with the terms, provisions and requirements as determined by the Professional Standards Committee and as stated in the Constitution and Regulations and Annexures thereto and payment of such subscription as the President’s Committee may from time to time determine.

Without derogating from the generality of the above, the following requirements for Membership shall apply:

- 3.1 An applicant for Membership must be a person who is honest and who has integrity, and complies with the FAIS General Code of Conduct as set by the Financial Services Board as relevant to the Financial Services Industry;
- 3.2 In determining whether the applicant complies with subparagraph 3.1 the Institute may refer to any information in possession of the Institute or brought to the Institute's attention;
- 3.3 Without prejudice to the generality of subparagraphs 3.2 and 3.4, any of the following factors constitute *prime facie* evidence that the applicant does not qualify in terms of subparagraph 3.1, namely, that the applicant: -
 - 3.3.1 has within a period of five years preceding the date of application been found guilty in any civil or criminal proceedings by a court of law (whether in the Republic or elsewhere) of having acted fraudulently, dishonestly, unprofessionally, dishonorably or in breach of a fiduciary duty;
 - 3.3.2 has within a period of five years preceding the date of application been found guilty by any professional or financial services industry body (whether in the Republic or elsewhere) or recognized legal authority, of an act of dishonesty, negligence, incompetence or mismanagement, sufficiently serious to impugn the honesty and integrity of the applicant;
 - 3.3.3 has within a period of five years preceding the date of application been denied membership of any Body referred to in subparagraph 3.3.2 on account of an act of dishonesty, negligence, incompetence or mismanagement, sufficiently serious to impugn the honesty and integrity of the applicant;
 - 3.3.4 has within a period of five years preceding the date of application: -
 - 3.3.4.1 been found guilty by any recognized legal regulatory or supervisory body or authority (whether in the Republic or elsewhere); or
 - 3.3.4.2 had his authorization to carry on business refused, suspended or withdrawn by any such body,

on account of an act of dishonesty, negligence, incompetence or mismanagement sufficiently serious to impugn the honesty and integrity of the applicant;
 - 3.3.5 has within a period of five years preceding the date of application, had any license granted to the applicant by any recognized legal regulatory or supervisory body or authority referred to in subparagraph 3.3.4 suspended or withdrawn by such body on account of an act of dishonesty, negligence, incompetence or mismanagement, sufficiently serious to impugn the honesty and integrity of the applicant; or
 - 3.3.6 has at any time prior to the date of application been disqualified or prohibited by any court of law (whether in the Republic or elsewhere) or recognized legal authority from taking part in the management of any company or other statutorily created, recognized or regulated body, irrespective whether such disqualification has since been lifted or not;
- 3.4 An applicant must in the application be honest and accurate and must of own accord disclose all facts or information at the disposal of, or which may be accessible to the

applicant, and which may be relevant for purposes of a decision by the Institute, that the applicant complies or does not comply with subparagraph 3.1 above.

3.5 FELLOWS

Every applicant for election by the Institute into the class of Fellow shall:

- 3.5.1 have followed such course of education, passed such qualifying examinations and complied with educational criteria as the Institute through the Professional Standards Committee may prescribe as per Annexure "A" hereto, unless exempted by regulations;
- 3.5.2 be wholly or mainly engaged or employed in work connected with insurance in South Africa or such other country or territory as the Institute may determine, or being retired from active or full time employment, but at the time of retirement or for a substantial part of their working life were wholly or mainly engaged or employed in work connected with insurance;
- 3.5.3 have paid the prescribed fees and prescribed annual subscription;

Fellows so elected, provided that they complete the necessary CPD hours, as determined by the Institute, and continue to pay the prescribed annual subscription to maintain their membership, shall be entitled to use after their names the words "Fellow of the Insurance Institute of South Africa" or the initials "FIISA".

3.6 ASSOCIATES

Every applicant for election by the Council into the class of Associate shall:

- 3.6.1 have followed such course of education, passed such qualifying examinations and complied with educational criteria as the Institute, through the Professional Standards Committee, may prescribe, as per Annexure "A" hereto, unless exempted by regulations;
- 3.6.2 be wholly or mainly engaged or employed in work connected with insurance in South Africa or such other country or territory as the Institute may determine, or being retired from active of full time employment but at the time of retirement, or for a substantial part of their working life were wholly or mainly engaged or employed in work connected with insurance;
- 3.6.3 have paid the prescribed fees and prescribed annual subscription;

Associates so elected, provided that they complete the necessary CPD hours as determined by the Institute and continue to pay the prescribed annual subscription to maintain their membership, shall be entitled to use after their names the words "Associate of the Insurance Institute of South Africa or the initials "AIISA".

3.7 LICENTIATES

Every applicant for election by the Institute into the class of Licentiate shall:

- 3.7.1 have followed such course of educations, passed such qualifying examinations and complied with education criteria as the Institute guided by the Professional Standards Committee may prescribe, as per Annexure "A" hereto, unless exempted by regulations;
- 3.7.2 be wholly or mainly engaged or employed in work connected with insurance in South Africa or such other country or territory as the Institute may determine, or being retired from active or full time employment but at the time of retirement, or for a substantial part of their working life were wholly or mainly engaged or employed in work connected with insurance;
- 3.7.3. have paid the prescribed fees and prescribed annual subscription

Licentiatees so elected, provided that they complete the necessary CPD hours as determined by the Institute, and continue to pay the prescribed annual subscription to maintain their membership, shall be entitled to use after their names the words "Licentiate of the Insurance Institute of SA" or the initials "LIISA".

3.8 GENERAL MEMBERS

Every applicant for election by the Institute into the class of General Member shall:

- 3.8.1 have followed such course of education, passed such qualifying examinations and complied with educational criteria as the Institute, through the Professional Standards Committee, as per Annexure "A" hereto, unless exempted by regulations;
- 3.8.2 be wholly or mainly engaged or employed in work connected with insurance in South Africa or such other country or territory as the Institute may determine, or being retired from active or full time employment but at the time of retirement, or for a substantial part of their working life were wholly or mainly engaged or employed in work connected with insurance;
- 3.8.3 have paid the prescribed fees and prescribed annual subscription.

4. FINANCIAL POLICY AND GOVERNANCE

4.1 Accounting Records and Reports

- 4.1.1 The Institute shall according, to the standards of generally accepted accounting practice, keep accounting records of its income, expenditure, assets and liabilities; and within six months after the end of its financial year, draw up financial statements, which must include at least a statement of income and expenditure for that financial year; and a balance sheet showing its assets, liabilities and financial position as at the end of that financial year;
- 4.1.2 Within the six months for drawing up its financial statements, as per paragraph 1.1 above, the Institute shall arrange for the auditing of its accounts and for the Auditors submitting to the Institute stating whether or not the financial statements of the organisation are consistent with its Accounting records and that the Accounting policies of the Institute are appropriate and have been appropriately applied in the preparation of the financial statements, and the organisation has complied with the provisions of the applicable legislation and of its constitution which relate to financial matters;

- 4.1.3 The Institute shall preserve its books of account, supporting vouchers, records of subscriptions or levies paid by its members, income and expenditure statements, bank statements, balance sheets and accounting officer's or auditor's reports, general ledger, remuneration and taxation documents in an original or reproduced form;
- 4.1.4 These records shall be retained and carefully preserved for a period of at least three years after the last date of entry in any book or, if kept in electronic or any other form, for a period of three years after completion of the transaction, act or operation to which they relate, subject to the following specific minimum provisions: five years for old transactions, i.e. invoices, bank statements, etc., seven years for documents relating to remuneration and taxation and indefinitely for contracts and general ledgers;
- 4.1.5 After registration, the Institute should according to Section 18. (1) of the Non-Profit Organisations Act 1997, in writing, provide the director of Non-Profit Organisations with a narrative report of its activities together with its financial statements and the accounting officer's or auditor's report, within nine months after the end of its financial year.

4.2 Internal Financial Controls

- 4.2.1 To maintain adequate accounting records and ensure the integrity of all related financial information, the Institute shall establish and implement internal financial control procedures;
- 4.2.2 Standards and procedures for internal control shall be aimed to reduce risk, error or loss;
- 4.2.3 The above standards and procedures must include proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable risk;
- 4.2.4 Additions and amendments to the standards and procedures listed in this Financial Policy shall only be effected with the Presidents Committees approval.

4.3 Election of the Honorary Treasurer

- 4.3.1 No member of the Institute connected to a current officer shall be advantaged by the nature of their association with another officer to be elected as Honorary Treasurer;
- 4.3.2 The nature of the association of such candidate, with current officers should be disclosed to the President prior to the appointment, so that this association can be assessed in terms of the objectives of this policy;
- 4.3.3 Should an association exist, this information must be forwarded for assessment of risk, on segregation of duties, to the Presidents Committee;
- 4.3.4 Due to various issues that increase the risks (transformation, climate and financial), it is in general not good practice to appoint connected persons as Honorary Treasurer. However, if the correct appointment process is followed, connected persons may be employed, provided the association is disclosed upfront and independently assessed. For this purposes, *Connected persons* are defined as: - anyone who could be regarded as a close

family member (typically spouse, partner, parents, children, in-laws, siblings, cousins, aunts, uncles and step- family);

4.3.5 Each newly appointed Honorary Treasurer should confirm in writing that his indemnity as per the Constitution, does not absolve them of the responsibility to act with due care and integrity;

4.3.6 Without grievance to his responsibility to the Institute as Honorary Treasurer, the member shall be entitled to resign his appointment by giving to the President written notice of his intention no later than one month after finalising the financial year end.

4.4 Membership and Fees

4.4.1 To provide the Institute with the appropriate financial structure and funds to achieve its overall objectives, a register of all classis of membership should be kept up to date pertaining to members in good standing, complying with the provisions of the Constitution, Bye-laws and membership fees;

4.4.2 The Institute reserves the right to change fees annually by means of approval of the Presidents committed and giving notice of such change in writing to members;

4.4.3 Subscription fee statements should be reconciled to the members' register indicating compliance with the requirements of the provisions of the Constitution.

4.5 Funds Deposited with the Institute

4.5.1 Any money deposited with or held in the Institute's name (whether in an operating or investment fund) is the property of the Institute and the Institute is thus responsible for such funds;

4.5.2 Money in the Institute's funds and accounts may only be used for the Institute's purposes;

4.5.3 With regard to the nature of the monies held by the Institute, there should be a distinction between ownership of funds and decision making rights. Ownership vests with the Institute, while decision rights vest in the Presidents Committee per designated authorized persons, including the Financial Officer, or to those who manage the activity or purpose for which the money was allocated;

4.5.4 The utilization of funds shall comply with terms and conditions specified by the grantor and provisions in the Constitution, shall conform to tax (and other relevant and applicable) law, and shall not jeopardize the status of any other process or action of the Institute.

4.6 Purchased by Card

4.6.1 Members and staff are eligible for a Purchase Card / Debit Card when warranted by the Institute's needs and authorised as such by the Presidents Committee;

- 4.6.2 Card holders may use their cards for the following transactions where agreed by the Presidents Committee and, in the case of preferred vendors:
- 4.6.2.1 Certain preferred vendors e.g. Waltons;
 - 4.6.2.2 Catering e.g. Pick 'n Pay;
 - 4.6.2.3 Sundry "out of pocket" purchases instead of requesting an advance, reimbursement or petty cash;
 - 4.6.2.4 Subsistence and travel expenses e.g. accommodation;
 - 4.6.2.5 Field trip expenses e.g. petrol.

The Policy explicitly excludes the use of the Purchase Card for:

- 4.6.2.6 Personal expenses;
 - 4.6.2.7 Gift vouchers;
 - 4.6.2.8 Foreign purchases that require customs documentation and clearance;
 - 4.6.2.9 Assets [equipment over R5000 or as determined by the Presidents Committee];
 - 4.6.2.10 Cash withdrawal except for authorised operational needs.
- 4.6.3 The Cardholder who is assigned a Purchase Card has been granted a privilege to spend the Institution's funds for business related expenses, mostly without pre- transaction approval. This privilege requires Cardholders to sign a Cardholder agreement attesting to their accepting responsibility for any failure to do so;
- 4.6.4 The Cardholder is obliged to forward supporting documents and information to the accountants with explanatory text and cost allocation, on agreed upon time periods;
- 4.6.5 Periodic audits may be carried out without warning by accountants, the Financial Officer and external auditors, if deemed necessary by the Presidents Committee.

4.7 Threshold Values for Purchasing

- 4.7.1 The purpose of threshold values in purchasing is to ensure that, procurement processes follow appropriate procedures in relation to the value of expenditure, the procurement process is transparent and fair, the risk is managed, and the interests of the Institute are protected;
- 4.7.2 Threshold values apply to assets and equipment, consumable goods and services as well as professional services fees;
- 4.7.3 All purchases should be accompanied by a duly authorised Purchase Order (PO), indicating whether transactions are within the approved threshold value;
- 4.7.4 Comparative quotes or tenders may be called for orders *below* the value thresholds, if the fund holder deems it is necessary or appropriate, or to test the market;
- 4.7.5 The Council will decide on threshold values for items listed in 7.2 as well as the appropriate approval procedures for each category and value range;
- 4.7.6 External accountants should monitor the process and supporting documentation at regular intervals, as deemed necessary by the Presidents Committee;
- 4.7.7 The accountants responsible for the reconciliation function must review/check the accuracy of records on a regular basis, including that the correlation between PO's and transactions;

- 4.7.8 A dated and signed record of the reconciliation should be prepared and filed. Any material differences in the reconciliation must be recorded, investigated and resolved.

4.8 **Reimbursements**

- 4.8.1 Reimbursements shall only be claimed where authorised expenditure has been incurred for the Institutes' purpose, including a purpose associated with the Institute;
- 4.8.2 All requests for reimbursement must be supported by original supporting documentation stating details of the goods supplied or services rendered, in addition to proof of payment;
- 4.8.3 Reimbursements may not be paid via petty cash.

4.9 **Staff Functions and Gifts**

- 4.9.1 There are instances where it is acceptable that certain staff functions and gifts may, within reason, be borne by the Institute;
- 4.9.2 The Presidents Committee may provide an annual guideline in terms of a reasonable value for a year end function. However, members shall respect the general notion of what is appropriate for an institution in the public eye, irrespective of the funding source;
- 4.9.3 Gifts (e.g. flowers, fruit baskets) for personal events (e.g. births, family deaths, and sickness) can be funded from the Institute' monies, within reason;
- 4.9.4 The Institute's funds may not be used for members' birthday gifts;
- 4.9.5 Gifts should not have tax implications for the recipient;
- 4.9.6 Gift vouchers cannot be given to members where this is a relationship to services rendered;
- 4.9.7 All other gifts should be financed against collections received from members, and would not be for the Institute's account.

4.10 **Handling of Cash and Deposits**

- 4.10.1 The Honorary Treasurer or Financial Officer, if not directly involved in the cash handling process shall have the responsibility to periodically evaluate internal procedures to ensure that controls exist to safeguard cash, and that all officers and members understand and follow them;
- 4.10.2 The cash on hand should be "spot-checked" periodically by the Financial Officer at least once per month;
- 4.10.3 All cash received must be recorded in writing on receipt;
- 4.10.4 The same person must be responsible for both receiving and receipting the cash;
- 4.10.5 A form of printed receipt must be given for cash received and electronic deposits made. An email acknowledgement is acceptable;
- 4.10.6 Cash must be safeguarded at all times and access to the Institute's current account should be restricted to no less than two signatories;
- 4.10.7 All cash and deposits received must be recorded. Depending on the volume and amount of cash received, this may be done by issuing pre numbered receipts, or by recording the transaction using any method established and approved by the Presidents Committee or by subcontracting an accountant for such purpose;

- 4.10.8 Cash collections must be kept in a safe, secure place until they are deposited;
- 4.10.9 Locked cash boxes, desk drawers, filing cabinets and safes all provide varying degrees of security. The amount of cash on hand/collected/received will determine the level of security required;
- 4.10.10 Cheques received must be made payable to the "Insurance Institute of South Africa";
- 4.10.11 Receipts and deposits should be reconciled, at least on a monthly basis;
- 4.10.12 The person responsible for the reconciliation function must review/check the accuracy of monthly, including that the totals received and deposited agree;
- 4.10.13 A dated and signed record of the reconciliations should be prepared and filed. Any material differences in the reconciliation must be recorded, investigated and resolved.

4.11 **Petty Cash**

- 4.11.1 As there are certain benefits pertaining to efficiency, security and transparency in using a purchasing card rather than petty cash, all requests for opening or maintaining a petty cash float must be reviewed by the Presidents Committee;
- 4.11.2 It is the duty of the Financial Officer to ensure proper segregation of duties with respect to the management of petty cash;
- 4.11.3 The only monies to be paid into a petty cash float are reimbursements of expenditures made from the petty cash float. No other monies, particularly those in respect of trading activities, must be mixed or held with the cash float;
- 4.11.4 The maximum value of float should not exceed R2000.00;
- 4.11.5 Petty cash must be accounted for in a conventional petty cash book or an Excel spreadsheet;
- 4.11.6 All payouts from petty cash must be supported by a petty cash slip which accurately describes the expense, as well as the name and signature of the person receiving the cash, and the appropriate source documentation verifying the expenditure;
- 4.11.7 A cash count must be done on a monthly basis and reconciled to the balance reflected in the petty cash book or a hard copy of the Excel spreadsheet, and where differences arise, shortage/coverage must be reflected.

4.12 **Asset Register**

- 4.12.1 The Institute is bound by law to keep a record of its fixed assets (movable and immovable). This record, the asset register, shall be used as a basis for certain categories of assets which are depreciated monthly, based on their estimated useful lives;
- 4.12.2 A duly completed and authorised asset acquisition form and approved invoice should support each asset item on record;
- 4.12.3 All asset acquisition forms should be approved by the Chief Executive Officer and authorised by two signatories;
- 4.12.4 If warranted, all such assets on records should be properly insured and properly safeguarded.
- 4.12.5 To ensure the disposal process of any or all assets are fair, transparent and equitable, equipment, furniture or other assets belonging to the Institute shall not be transferred, sold,

traded-in, cannibalised or otherwise deleted from the asset register without the approval of the Presidents Committee;

4.12.6 When assets are no longer required by the Institute and can no longer be used for any reason (obsolescence, beyond economic repair, etc), the budget-holder is responsible for ensuring that the disposal takes place in accordance with the Institutes' procedures. It is important that the disposal satisfies audit requirements, and is undertaken in the most economically advantageous manner;

4.12.7 Even when fully depreciated, equipment is still listed on the asset register.

4.13 **Income Tax**

4.13.1 The Institute should be registered as a NPO in terms of the Non-Profit Organisations Act 1997, but NPO status is not in itself sufficient to justify an income tax exemption and as such the Institute should register as PBO (Public Benefit Organisation) with the South African Revenue Service, applying for income tax exemption;

4.13.2 The Commissioner will approve a PBO only if its sole or principle objective is and remains to carry on one or more of the listed PBAs;

4.13.3 As a PBO the Institute is obliged to render annual income tax returns, as required by the tax authorities, notwithstanding the approval which may result in no tax liability for the Institute.

5. DISCIPLINARY AND APPEAL COMMITTEES AND PROCEDURES

5.1 **PROCEDURES**

5.1.1 The President's Committee shall annually, at the first meeting of the term of the President's Committee, appoint a Disciplinary Committee and an Appeal Committee.

5.1.2 **Disciplinary Committee**

There shall be appointed in each year a Disciplinary Committee, consisting of not less than three members, appointed by the President's Committee from among professional members of the Institute. The Disciplinary Committee shall be for the purpose of investigating questions which may arise under the Constitution and Regulations and breaches and contraventions thereof and having regard to the qualifications, methods and terms of admission, rights and obligations, including authority and liability to expulsion or suspension and of considering questions of professional practice generally, the upholding of professional standards and ethics and abiding by the provisions of the Code of Conduct, including compliance with and breaches of the provisions of legislation, regulations, requirements and directives of legal regulatory bodies and authorities, and cases of alleged misconduct. The chairman of the Disciplinary Committee shall be appointed by the President's Committee, which Committee shall have the right to appoint professional investigations, hearings and deliberations in respect of any issue.

5.1.3 **Appeal Committee**

There shall be appointed in each year an Appeal Committee, consisting of not less than three professional members of the Institute, appointed by the President's

Committee for the purpose of hearing appeals from decisions of the Disciplinary Committee. The Chairman of the Appeal Committee shall be appointed by the President's Committee from among professional members of the Institute. At the request of either the Appeal Committee or the appellant, the President's Committee may appoint a person who is not necessarily a Member (and is independent of the appellant) to be co-opted by the Appeal Committee: -

Of the Appeal Committee any two of the members appointed by the President's Committee or one third of the total membership of the Committee, whichever is greater, shall form a quorum:

Such appointee may be a Professional Legal practitioner to hear and assist the Appeal Committee in its investigations, hearings and deliberations in respect of any issue.

5.1.3.1 The Disciplinary and Appeal Committees shall meet as often as is necessary;

5.1.3.2 The members of the Disciplinary and Appeal Committees shall hold office until their successors have been successfully appointed at the start of a new term of the Board;

5.1.3.3 Notwithstanding paragraph 5.1.3.2, any of the abovementioned persons shall vacate their office if their membership of the Institute is suspended or terminated for any reason.

5.2 DUTIES AND POWERS OF THE DISCIPLINARY COMMITTEE

5.2.1 The duties of the Disciplinary Committee shall be to:

5.2.1.1 To investigate questions or complaints which may arise under the Constitution or Regulations and breaches and contraventions thereof, and having regard to the qualifications, methods and terms of admission, rights and obligations, including authority and liability to expulsion or suspension and of considering questions of the professional practice generally, the upholding of professional standards and ethics and abiding by the provisions of the Code of Conduct, including compliance with and breaches of the provisions of legislations, regulations, requirements and directives of legal regularity bodies and authorities, and cases of alleged misconduct;

5.2.2 Appoint a case-presenter to investigate the complaints or charges against the Member or Members and to conduct the disciplinary process before the Disciplinary Committee on behalf of the Institute;

5.2.3 The powers of the Committee shall be to: -

5.2.3.1 Determine a time and place for a disciplinary hearing;

5.2.3.2 Arrange for the attendance of all parties involved in such disciplinary hearing;

5.2.3.3 Make arrangements for the attendance of all parties involved in such disciplinary hearing;

5.2.3.4 Require any Member of the Institute, including the Member or Members against whom the charges or complaints are laid to attend such disciplinary hearing;

5.2.3.5. Confer the authority to investigate the complaints or charges in order to gather evidence, to the appointed case-presenter.

5.3 PROCEDURE IN ALL DISCIPLINARY MATTERS

Investigation and Evaluation of Information relating to Complaints or Charges against a Member.

5.3.1. Any person who lodges a complaint against a Member shall be requested in writing by the Chief Executive Officer to submit such complaint in the form of an affidavit;

5.3.2. The Chief Executive Officer:

5.3.2.1. May refer any such affidavit against a Member to an appointed legal practitioner or an appropriately qualified member of his staff to obtain an opinion as to the necessity for and prospects of success of disciplinary action against such Member;

5.3.2.2. Shall in all cases where a complaint has been so referred;

5.3.2.2.1. refer the complaint against such Member to the Disciplinary Committee;

5.3.2.3. Shall, in all cases where a complaint has been so referred and he has decided not to proceed with disciplinary action against such Member, submit a report to the Board at the first opportunity;

5.3.3. The Chief Executive Officer shall forward any complaint where he has decided to refer the matter to the Disciplinary Committee, to the Disciplinary Committee;

5.3.4. The Chief Executive Officer shall inform the complainant in writing that the matter has been referred to the Committee;

5.3.5 The Disciplinary Committee shall consider all available information about the complaint or charge against a Member of the Institute and take a decision by simple majority whether to proceed with the disciplinary process;

5.3.6. In all cases where the Disciplinary Committee decides not to take any further action, the Chief Executive Officer shall table a report at the next meeting of the Board stating reasons furnished by the Disciplinary Committee why no further action has been taken;

5.3.7. In all other cases the Chief Executive Officer shall cause to communicate the essence of the complaint or charge to the Member involved and request him to respond thereto within twenty-one days, stating that:

5.3.7.1. Disciplinary steps may follow; and

5.3.7.2. Any response must be freely and voluntarily made; and

- 5.3.7.3. The Member may prefer not to respond; and
- 5.3.7.4. Any response may be used in evidence at any future disciplinary hearing;
- 5.3.8. The Chief Executive Officer shall cause any response by the Member to be assessed by an appointed legal practitioner or an appropriately qualified member of his staff, and submit a recommendation to the Disciplinary Chairperson who must decide within 10 (ten) days of receipt of the recommendation whether a disciplinary hearing should be arranged;
- 5.3.9. In all cases where the Disciplinary Committee Chairperson decides that a disciplinary hearing should be arranged, the Chief Executive Officer shall within ten days of being notified:
 - 5.3.9.1. Appoint a case presenter to conduct the case before the Disciplinary Committee; and
 - 5.3.9.2. In all cases where the Chief Executive Officer decides not to take any further action, he shall table a report at the next meeting of the Board stating the reasons why no further action has been taken.

5.4 DISCIPLINARY HEARING

- 5.4.1. The Disciplinary Committee shall convene on the day of the hearing, elect a Chairperson, and shall hear the evidence presented by both the case-presenter and the accused Member, or his legal representative;
- 5.4.2. The Disciplinary Committee shall determine the procedure to be followed but must hear the evidence against the accused Member first and then the evidence for the accused Member, and shall allow cross-examination and re-examination by both sides;
- 5.4.3. The Members of the Disciplinary Committee may ask any witness any question at any time during the course of testimony by that witness to clarify the evidence, and may call or recall any witness in the interest of establishing the facts on any point that may have come up during the hearing;
- 5.4.4. The Disciplinary Committee shall be entitled to accept as evidence the record of any criminal or civil trial or disciplinary hearing in which the accused Member has been involved dealing with the same events forming the basis for the charges before the Disciplinary Committee, on condition that the record must first be proven to be authentic to the satisfaction of the Disciplinary Committee;
- 5.4.5. A full record of the proceedings shall be kept in any appropriate format and/or medium, a copy of which the Chief Executive Officer shall keep for a minimum of three years after the date when the hearing has ended, or in a case where an appeal was heard, the date on which the appeal hearing has ended;
- 5.4.6. The Disciplinary Committee may adjourn the hearing to any time or place which is acceptable to both sides and failing agreement on the time or place of such adjournment, may take any decision about the time or place for the reconvening of the hearing that would be reasonable in the circumstances and fair to both parties;

- 5.4.7. After hearing all evidence and arguments from both sides, the Disciplinary Committee shall hand down its finding on the merits after due deliberation by the members of the Disciplinary Committee;
- 5.4.8. The standard of proof required of the case putter shall be balance of probabilities;
- 5.4.9. The Disciplinary Committee shall, in case of a finding of guilty, hear evidence and arguments on sentence and impose an appropriate sentence after due deliberation. The sentence shall be one or a combination of the following:
- 5.4.9.1. An admonishment;
 - 5.4.9.2. A fine not exceeding one hundred thousand Rand;
 - 5.4.9.3. A suspension of all or any of his rights of membership for a period not exceeding six months, including any right to hold any particular class of membership;
 - 5.4.9.4. A termination of membership for a period not exceeding ten years, at the expiry of which the person may re-apply for membership. The application will then be considered in the normal fashion;
 - 5.4.9.5. Call for and accept his resignation, subject to terms and conditions to be determined by the Disciplinary Committee;
 - 5.4.9.6. A life ban on membership and removal of his name from the records Members, and revocation of the designations of Fellow, Associate, licentiate or General Member;
- 5.4.10. The Disciplinary Committee may suspend all or any part of a sentence for any period up to ten years on any condition it deems fit in the circumstances;
- 5.4.11. The Disciplinary Committee shall notify the Chief Executive Officer in writing of the findings of the Disciplinary Committee, and the latter shall in turn notify the Chairman of the Professional Standards Committee in writing;
- 5.4.12. The Disciplinary Committee will then be *functus officio* in respect of this particular matter;
- 5.4.13. The Chief Executive may:
- 5.4.13.1. notify all Members of the Institute of the findings of the Disciplinary Committee; and
 - 5.4.13.2. make the findings of the Disciplinary Committee known to local and national news media after the period allowed for the lodging of an appeal has expired and no appeal has been lodged, unless he decides, upon request from and after taking advice from the Disciplinary Committee, not to make the findings so known.

6. APPEAL COMMITTEE

- 6.1. The convicted Member ("the Appellant) may lodge an appeal against the finding and/or sentence of the Disciplinary Committee to an Appeal Committee within fourteen days of the conclusion of the disciplinary hearing by:
 - 6.1.1. Setting out the grounds for the appeal in writing; and
 - 6.1.2. Handing a copy of such document signed by the appellant either to the Chairperson of the Disciplinary Committee at the conclusion of the disciplinary hearing or to the Chief Executive Officer; or
 - 6.1.3. mailing a copy of such document by registered mail and addressed to the Chief Executive Officer at the head office of the Institute to reach the Chief Executive Officer before the expiry of the period allowed for the lodging of an appeal;
- 6.2. The Chief Executive Officer shall forward the record of the proceedings before the Disciplinary Committee as well as the grounds for the appeal to the Appeal Committee within seven days;
- 6.3. The Appeal Committee shall study the record and the grounds for the appeal and allow or disallow an appeal within thirty days of receiving the documentation from the Chief Executive Officer and inform the Chief Executive Officer in writing accordingly. The Appeal Committee shall be entitled to request written reasons for the conviction and/or sentence from the Disciplinary Committee. In the case of the Appeal Committee disallowing the appeal, the Chief Executive Officer will notify the appellant accordingly within seven days, and the matter will further be dealt with as if no appeal has been lodged;
- 6.4. The Appeal Committee shall be appointed by the President's Committee;
- 6.5. The Appeal Committee shall consist of not less than three professional members in terms of the provisions of paragraph 5.1.3;
- 6.6. The President's Committee shall appoint a Chairperson for the Appeal Committee;
- 6.7. The Chairperson of the Appeal Committee may co-opt a maximum of two experts in any field relating to the charges against the Member including a legal practitioner to assist the Appeal Committee in the appeal hearing. Such experts shall have full powers to participate as members of the Appeal Committee, but shall have no voting rights with regard to the finding of or sentence imposed by the Appeal Committee.

7. APPEAL HEARING

- 7.1. The Appeal Committee shall:
 - 7.1.1. Convene at a time and place determined by the Chief Executive Officer after consultation between the Chief Executive Officer and the appealing Member or his legal representative;
 - 7.1.2. Hear arguments from both the Member and the Institute, in that order;

7.1.3. Not hear any evidence, except where:

7.1.3.1. New information becomes available and it would be impracticable, in the opinion of the Appeal Committee, to refer the matter back to a new Disciplinary Committee as envisaged by paragraph 7.2.4; and/or

7.1.3.2. A dispute arises as to a point of procedure followed at the disciplinary hearing, and it is not possible to ascertain from the record, in the opinion of the Appeal Committee and on a balance of probabilities, the process that the Committee followed;

7.1.4. Decide the appeal by due consideration of the record of the original hearing and the arguments presented to it;

7.2. The Appeal Committee shall, in its sole discretion, have the authority to:

7.2.1. Substitute any finding of the Disciplinary Committee at the original hearing with a new finding;

7.2.2. Impose any new appropriate sentence from the competent sentences in paragraph 5.4.9;

7.2.3. Confirm the finding or findings of the Disciplinary Committee;

7.2.4. Refer the matter back for a rehearing by a new Disciplinary Committee on all or some of the original charges;

7.3. At a hearing by a new Disciplinary Committee as envisaged in paragraph 7.2.4, the case put forward for the Institute shall be limited to the charges brought before the original Disciplinary Committee;

7.4. The Appeal Committee shall cause a full record of proceedings before it to be kept in any appropriate format or medium, a copy of which the Chief Executive Officer shall keep for a minimum of three years after the appeal hearing has ended;

7.5. After handing down its finding, the Appeal Committee will be *functus officio* in respect of this particular matter;

7.6. The Chairperson of the Board may:

7.6.1. Notify all Members of the Institute of the findings of the Appeal Committee; and

7.6.2. Make the findings of the Appeal Committee known to local and national news media, unless he decides, upon request from and after taking advice from the Appeal Committee and / or the Disciplinary Committee, not to make the findings so known.

8. ADVICE ABOUT PROCEDURE

8.1. Any Disciplinary or Appeal Committee may, if it in its sole discretion deems it necessary, obtain advice about any procedural aspect not covered by these Regulations from a legal

practitioner or other Expert. Without derogating from the generality of this provision, the provisions of par 6.7 may be applied *mutatis mutandis*, or the Disciplinary Committee or Appeal Committee may be guided by the provisions of South African statutory or common law relating to criminal or civil procedure, or when applicable, by industrial or labour relations.

IISA Membership and Allied Qualifications as at October 2011**1. IISA FELLOWSHIP**

- (i) Unisa Advanced Programme in Risk Management; or
- (ii) B.Com degree in Risk Management; or
- (iii) Bachelor Degree containing appropriate Advanced Management Subjects (See note 2 below); or
- (iv) MBA's and other Advanced Management Programmes, approved by and acceptable to the Institute per the Professional Standards Committee. (See note 2 below)

2. IISA ASSOCIATESHIP

- (i) IISA Introductory Programme in Advanced Insurance Practice, plus
- (ii) IISA Programme in Advanced Insurance Practice.

3. IISA LICENTIATE

- (i) IISA Introductory Programme in Short Term Insurance / Life Insurance / Retirement Fund Management (UNISA), plus
- (ii) IISA Programme in Short Term Insurance / Life Insurance / Retirement Fund Management (UNISA); or
- (iii) Higher Certificate in Short Term Insurance (Milpark Business School).

4. GENERAL MEMBERSHIP**IISA Member Level 1**

- (i) IISA Short Course in elements of Short Term Insurance / Life Insurance / Retirement Fund Management (UNISA); or
- (ii) Certificate of Proficiency (Historic programme) – Short Term Insurance / Long Term Insurance / Retirement Fund Management

IISA Member Level 2

Intermediate Certificate in Business Studies – Short Term Insurance / Long Term Insurance / Retirement Fund Management (Historic programme)

IISA Member Level 3

Industry Relevant Qualification as defined by the FSB and Professional Standards Committee

NOTE:

1. All applications for Membership of the Insurance Institute of SA shall be subject to the approval of the Professional Standards Committee of the Institute.
2. Qualifications in support of applications for Fellowship Member status, such as those in Risk Management i.e. B.Comm, MBA, Bachelor Degrees and other Advanced Management Programmes, including foreign qualifications recognized and accepted by South African legally authorized bodies, shall be evaluated by the Professional Standards Committee of the Institute in order to determine whether the subject matter thereof embodies appropriate risk management and insurance content and is acceptable to the Institute.