

INVESTMENT MANAGEMENT ASSOCIATION OF SINGAPORE

BYE-LAWS ON THE

PROFESSIONAL CONDUCT COMMITTEE

(Issued 7 April 2006)

I. OBJECTIVE

1. These Bye-Laws on the Professional Conduct Committee are established under Clause 44(c) of the Constitution of the Investment Management Association of Singapore, and set out the rules and procedures governing the establishment and conduct of the Professional Conduct Committee for the purposes of Clause 67 of the Constitution.

II. INTERPRETATION

2. In these Bye-Laws, unless the context otherwise requires:

"**Association**" means the Investment Management Association of Singapore;

"**Breach**" has the meaning ascribed to it in Rule 5(a) of the Bye-Laws on Disciplinary Rules and Procedures;

"**these Bye-Laws**" means these bye-laws on the Professional Conduct Committee of the Association;

"**Bye-Laws on Disciplinary Rules and Procedures**" means the Bye-Laws on Disciplinary Rules and Procedures established or to be established by the Association under Clause 44(c) of the Constitution;

"**Code and Standards**" means the code of ethics and standards of professional conduct adopted by the Association;

"**Chair of the Professional Conduct Committee**" means the Individual appointed as the chairperson of the Professional Conduct Committee under Rule 8;

"**Chairman**" means the Chairman of the Association;

"**Commencement Date**" means the date when these Bye-Laws were first instituted under the Constitution;

"**Committee**" means the Committee of the Association established under the Constitution;

"**Complaint**" means a statement in writing containing an allegation or representation to the effect that a Member has or may have committed or been engaged in a Breach;

"**Constitution**" means the constitution of the Association in force from time to time;

"**Individual**" means any individual;

"**Member**" means a member of the Association of any class;

"**Person**" means any partnership, corporation, trust, unincorporated organisation or association, but excluding any Individual;

"**Professional Conduct Committee**" means the Professional Conduct Committee established or to be established by these Bye-Laws, to be appointed by the Committee pursuant to Clause 67 of the Constitution;

"**Professional Conduct Committee Member**" has the meaning ascribed to it in Rule 6;

"**Rule**" refers to a numbered provision of these Bye-Laws; and

"**Sub-Committee**" means an Investigating Sub-Committee appointed under Rule 14 of the Bye-Laws on Disciplinary Rules and Procedures.

3. Capitalised words and expressions not defined in Rule 2 shall have the meanings ascribed to them in the Constitution.

III. PROFESSIONAL CONDUCT COMMITTEE

Powers of Professional Conduct Committee

4. The Professional Conduct Committee is or is to be appointed by the Committee under Clause 67 of the Constitution to hear any case against any Member and impose any disciplinary sanctions upon Members, which may include suspension or termination of membership of the Association, or other disciplinary sanction for violation of the Code and Standards, in accordance with these Bye-Laws.
5. The Professional Conduct Committee shall exercise all the necessary powers to ensure the full and proper administration of the Association relating to disciplinary matters of the Members referred to in Rule 4. Without limiting the generality of this Rule 5, the Professional Conduct Committee may, from time to time, exercise the following powers:-
 - (a) Appoint and determine the terms of appointment of such agents and professional advisers as the Professional Conduct Committee may think fit to assist it in the conduct of its duties hereunder; and
 - (b) Delegate any of its powers or discretions to sub-committees consisting of Professional Conduct Committee Members, including sub-committees created to investigate any Complaint against any Member, in accordance with Rules 17-18. The sub-committees shall conduct their business in accordance with these Bye-Laws and the Bye-Laws on Disciplinary Rules and Procedures.

Membership of Professional Conduct Committee

6. The Professional Conduct Committee shall comprise not fewer than 5 nor more than 10 Individuals appointed by the Committee, each of whom shall be known as a member of the Professional Conduct Committee ("Professional Conduct Committee Member"). Each Professional Conduct Committee Member shall hold office in the Professional Conduct Committee for a term of 3 years, with no limit on the number of terms of office held by any such Professional Conduct Committee Member.
7. The Committee shall appoint Individuals to the Professional Conduct Committee in accordance with the following guidelines:
 - (a) Each Individual appointed to be a Professional Conduct Committee Member shall in the opinion of the Committee be appropriately qualified for the purposes of serving as an officer of a registered society;
 - (b) At least one-third of the Professional Conduct Committee shall be third party non-Members, each of whom is not a representative, employee or affiliate of any Member; and
 - (c) No Individual who is or becomes prohibited by law from being or acting as an officer of a registered society shall be eligible to be appointed or re-appointed as a Professional Conduct Committee Member.
8. The Committee shall appoint one Individual from among Professional Conduct Committee Members to be the Chair of the Professional Conduct Committee for a term of 3 years, with no limit on the number of terms of office of such chairmanship.
9. The Professional Conduct Committee shall, in conducting its disciplinary function, act in accordance with these Bye-Laws.

Meetings of Professional Conduct Committee

10. The Professional Conduct Committee shall meet at such times and places and in such frequency as the Professional Conduct Committee or the Chair of the Professional Conduct Committee shall consider it necessary to deal with disciplinary matters arising in the course of the Association's affairs.
11. The number of Professional Conduct Committee Members required to constitute a quorum shall be two-thirds of the number of Professional Conduct Committee Members then in office.
12. Each Professional Conduct Committee Member shall be entitled to one vote. Save as expressly provided herein, all questions to be considered by the Professional Conduct Committee shall be decided by a majority of votes. In the case of an equality of votes, the Chair of the Professional Conduct Committee shall have a second and casting vote.

13. Save as expressly provided herein, the Professional Conduct Committee shall have power to regulate the conduct of its own business.
14. A resolution in writing signed by all the Professional Conduct Committee Members for the time being in Singapore shall be as effective as a resolution passed at a Professional Conduct Committee meeting duly convened and held and may consist of several documents in the like form each signed by one or more of the Professional Conduct Committee Members. The expressions "in writing" and "signed" include approval by telefax, telex, cable, telegram or electronic communication by any such Professional Conduct Committee Member.
15. All acts done by any meeting of Professional Conduct Committee Members or any sub-committee of the Professional Conduct Committee or by any Individual acting as a Professional Conduct Committee Member shall as regards all persons and individuals dealing in good faith with the Association, notwithstanding that there was some defect in the appointment of any such Professional Conduct Committee Member or Individual acting as aforesaid or that they or any of them were disqualified, had vacated office or ceased to be a Professional Conduct Committee Member or were not entitled to vote, be as valid as if every such Individual had been duly appointed and was qualified and had continued to be a Professional Conduct Committee Member and had been entitled to vote.

IV. SUB-COMMITTEES

Membership of Sub-Committees

16. The Professional Conduct Committee shall delegate its powers of investigating any Complaint to a Sub-Committee to be set up under Rules 14-15 of the Bye-Laws on Disciplinary Rules and Procedures.
17. Each Sub-Committee established by the Professional Conduct Committee shall carry out its duties in accordance with the Bye-Laws on Disciplinary Rules and Procedures.

V. CONFLICT OF INTEREST

18. Members of the Professional Conduct Committee must not participate in any matter in respect of which they are or would be in a position of conflict of interest. If the Chair of the Professional Conduct Committee is in such a position, the Chairman shall nominate another Professional Conduct Committee Member to be acting Chair of the Professional Conduct Committee for the purposes of the particular matter.
19. A Professional Conduct Committee Member who becomes aware of grounds for such Professional Conduct Committee Member's own removal, whether from conflict of interest or otherwise, must so declare as soon as possible. The Chairman shall have the power to reconstitute the Professional Conduct Committee in accordance with these Bye-Laws in order that such Professional Conduct Committee Member should be replaced.

VI. GENERAL PROVISIONS

Regulations

20. The Committee may from time to time make and vary such regulations (not being inconsistent with the provisions of the Constitution or these Bye-Laws) as it may consider necessary for the implementation of these Bye-Laws and for the performance by the Professional Conduct Committee and its Sub-Committees of their respective functions under these Bye-Laws.

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