

# ***Rules for the Nomination and Selection of Member Nominated Directors***

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## 1. The Directors

F.C.A. Limited (“the Trustee”) shall have four directors nominated by ICAEW and three member nominated directors (“MNDs”). The MND roles will be open for applications from all classes of members and a selection process will be used to decide which applicants will be put forward for election. MNDs do not represent the constituency from which they were voted but have a duty to treat all stakeholders fairly. The Trustee’s intention is to have all classes of membership represented on the Trustee Board where possible.

MNDs shall have the same functions, duties and responsibilities as other directors of the Trustee. ICAEW employed MNDs will be allowed reasonable paid leave to perform their trustee duties and undergo training.

When a vacancy arises, the Trustee will call for applications from the membership.

## 2. Eligibility

To be eligible to apply for the position of a MND, an applicant must:

- be an Employed 2010 Member, a Deferred Member, or a Pensioner Member including Dependants;
- be aged 18 and above;
- not be an undischarged bankrupt; and
- not be disqualified from being a director or convicted of an offence involving dishonesty or deception;
- have their employer’s permission, where relevant, to perform their trustee duties and undergo training;
- and should not work for a direct competitor of ICAEW.

‘Employed 2010 Member’ is a defined term in the rules of the Fund (see Definitive Deed and Rules dated 8 March 2013) and means a 2010 member (i.e. a deferred pensioner whose pensionable service ceased on 30 June 2010) who is in service with ICAEW as an employee, has remained in continuous service as an employee since 30 June 2010 and has agreed to a permanent change to the terms and conditions of his or her employment with effect from 1 July 2010.

All MND nominations shall be subject to the approval of ICAEW, not to be unreasonably withheld.

## 3. The Member Nominated Directors’ Term of Office

The term of office for each MND is five years. MNDs can then stand for re-election for a further term of five years. If a MND has served ten years in total, he or she may not stand for election again until a period of five years has elapsed

- If an Employed 2010 Member becomes a Deferred Member or retires and takes their pension, and there is not a representative of their new membership class on the Trustee Board they may stand for election. If such an Employed 2010 Member had not completed their five year term as an Employed 2010 Member and is elected as a pensioner MND, the period as a MND will be for the remaining period of the five year term that was left when they ceased to be an Employer 2010 Member.

- If a Deferred MND retires and takes their pension, and there is a vacancy for a Pensioner MND, he or she may stand for election. If such a deferred Member had not completed their five year term as a deferred Member and is elected as a pensioner MND, the period as a MND will be for the remaining period of the five year term that was left when they ceased to be a deferred Member.

#### **4. Ceasing to be a Member Nominated Director**

A MND will leave office on the earlier of:

- the expiry of their term of office;
- the date of their resignation as a MND;
- in the case of an Employed 2010 MND, the date they cease to be an Employed 2010 Member;
- In the case of a pensioner MND, the date they cease to receive a pension from the Fund;
- if the Employed 2010 MND was employed by ICAEW at the time of their appointment, on the date they leave such employment;
- the date they are removed from office by ICAEW, with the agreement of all other Trustee Directors.
- the date that they become employed by one of ICAEW's direct competitors.
- the date their employer withdraws permission to allow the MND to attend trustee meetings or training.

Any vacancy arising during a MND's term of office will be filled using the Selection Process within a reasonable period of such vacancy arising.

#### **5. MND Application and the Selection Procedure**

##### **5.1 Application**

Any member of the Fund may apply for a MND position.

All applications must be made on the appropriate application form which must be returned to the Secretary to the Trustee at the address and by the date given on the application form. Emailed application forms are acceptable but must be emailed from the applicant's own email address.

Each applicant must be eligible for election as a MND. The applicant will be required to state on their application form why they have applied to be a MND and details of the skills they have that may be beneficial in the role.

All applicants will be required to attend a meeting with the Selection Panel.

Where a vacancy is not filled because insufficient suitable applications are received, the application process will be repeated annually.

##### **5.2 The Selection Meeting**

The Trustee will invite each of the applicants for a meeting with the Selection Panel. If there is more than one suitable applicant per vacancy the Selection Panel will select two or three applicants to take forward to the election. The Selection Panel will consider the current classes of membership represented on and the diversity of the Trustee Board.

If there is only one suitable applicant, that person will be appointed, and an election will not be held.

The applicants will be individually advised of the outcome of the meeting prior to any election taking place (whether they were successful or unsuccessful).

The decision of the Selection Panel is final and is not subject to appeal.

### **5.3 The Election**

Selected applicants will be invited to stand in an election, in which all members will have the right to vote.

The applicants will be individually notified of the outcome of the election.

The result of the election will be notified to all members of the Fund in the next member communication.

## **6. Appointment of Member Nominated Directors**

Where an applicant is elected as a MND in accordance with the selection process they will be formally appointed as a Trustee Director at the next Trustee Board meeting following their election in accordance with the Trustee's Articles of Association of the corporate Trustee, F.C.A. Limited.

## **7. Review**

The process for the nomination and selection of MNDs will be reviewed annually by the Governance Committee.