

CONSTITUTION OF THE ASEAN FEDERATION OF ACCOUNTANTS

PREAMBLE

We, representatives of the national accountancy organisations of Indonesia, Malaysia, Philippines, Singapore and Thailand as the founding member organisations, and Brunei Darussalam, Cambodia, Lao PDR, Myanmar and Vietnam,

1. MINDFUL of the aims and purposes of the Association of Southeast Asian Nations (ASEAN) to accelerate the economic growth, social progress and cultural development in the region through joint endeavours in the spirit of goodwill and cooperation in order to strengthen the foundation for a prosperous and peaceful community of Southeast Asian nations;
2. SUPPORTING the efforts of the ASEAN member states towards the attainment of the above aims and purposes;
3. COGNISANT that expertise and professional services of accountants are vital tools for economic development and accordingly in the achievement of the ASEAN objective to accelerate economic growth of the region: and
4. AWARE that ASEAN accountants could contribute more effectively to the region's development if they were organised into a closely-knit and functioning regional organisation of accountants;

DO HEREBY organise the ASEAN FEDERATION OF ACCOUNTANTS (AFA) and adopt and promulgate this Constitution.

AMENDED CONSTITUTION OF THE ASEAN FEDERATION OF ACCOUNTANTS

SECTION I: GENERAL INFORMATION

Article 1 Name

- 1.1. The name of the organisation shall be the ASEAN FEDERATION OF ACCOUNTANTS. It may be referred to either by its acronym – AFA, or as “the Federation”.
- 1.2. AFA is further governed by this Constitution, the AFA By-Laws, and other Policies as may be established by its Council. AFA shall abide by the laws of the jurisdictions in which it operates.

Article 2 Duration

AFA is organised for an indefinite period of time.

Article 3 Recognition

AFA is an accredited Civil Society Organisation of the ASEAN recognised under the ASEAN Charter.

Article 4 Vision and Mission

- 4.1. The vision of the Federation is to be globally recognised as the organisation that represents the accountancy profession in the ASEAN region.
- 4.2. The mission of the Federation is to develop and promote the accountancy profession in the region in support of the socio-economic enhancement of the ASEAN member states.

Article 5 Objectives

The objectives of the Federation are to:

- a. Provide an organisation for ASEAN accountants for the further advancement of the status of the profession regionally and globally with the view to establish an ASEAN philosophy on the accountancy profession;
- b. Establish a medium for closer relations, regional cooperation, and assistance among ASEAN accountants;
- c. Enhance the continuous development of the accountancy profession in the region through the joint endeavours of accountants representing the ASEAN;
- d. Serve the public interest by strengthening and contributing to the development of strong international economies through the joint efforts of AFA member organisations;
- e. Further serve the public interest by promoting the adoption and supporting the implementation of international standards on private and public sector accounting, auditing, ethics, and education, as well as the establishment of related quality assurance and enforcement mechanisms;
- f. Support AFA member organisations through mutual assistance to build their capacity and become fully effective Professional Accountancy Organisations;
- g. Speak out on issues of public interest;
- h. Identify and highlight vital challenges affecting the accountancy profession in the ASEAN region and to formulate and promote proposals towards the solution of these challenges;
- i. Provide ASEAN accountants with a venue for the exchange of the significant knowledge, ideas and information on the accountancy profession in the ASEAN member states;
- j. Elevate the image of the Federation and be recognised as a representative of the ASEAN accountants in their collective dealings with international accountancy and other organisations; and
- k. Work in cooperation with ASEAN business professional and other regional groupings whose economic development efforts may be complemented by ASEAN accountants.

SECTION II: HEADQUARTERS

Article 6 Establishment

- 6.1. The Headquarter of the Federation shall be the Permanent Secretariat.
- 6.2. The Permanent Secretariat shall be established to support the day-to-day operation of the Federation, and acts as the Federation's centre for communication and activities.

SECTION III: MEMBERSHIP AND REPRESENTATION

Article 7 Membership

AFA is composed of Primary Members and Associate Members that meet the member admission criteria and obligations set forth in this Constitution and the By-Laws.

Article 8 Primary Members

- 8.1. AFA Primary Members shall be the recognised national Professional Accountancy Organisation of that country created under a specific statute or regulation of that particular country, or in the absence thereof, the recognised national organisation of accounting professionals in said country.
- 8.2. The following national organisations of accounting professionals shall be the Primary Members of the Federation representing member states within the territorial jurisdiction of the ASEAN:
 - a. Brunei Darussalam Institute of Certified Public Accountants (BICPA) – for Brunei Darussalam;
 - b. Kampuchea Institute of Certified Public Accountants and Auditors (KICPAA) – for Cambodia;
 - c. Ikatan Akuntan Indonesia (Institute of Indonesia Chartered Accountants – IAI) – for Indonesia;
 - d. Lao Chamber of Professional Accountants and Auditors (LCPAA) – for Lao PDR;
 - e. Malaysian Institute of Accountants (MIA) – for Malaysia;
 - f. Myanmar Institute of Certified Public Accountants (MICPA) – for Myanmar;
 - g. Philippine Institute of Certified Public Accountants (PICPA) – for the Philippines;
 - h. Institute of Singapore Chartered Accountants (ISCA) – for Singapore;
 - i. Federation of Accounting Professions (FAP) – for Thailand; and
 - j. Vietnam Association of Accountants and Auditors (VAA) – for Vietnam.
- 8.3. National Professional Accountancy Organisations domiciled in countries which become members of the ASEAN subsequent to the adoption of this Constitution may be invited by the Council for admission to the Federation.

Article 9 Representation

Representation in the Federation shall be by country, that is – one member organisation per country.

Article 10 Associate Members

Giving due consideration to the foregoing Article 7, Section III of the Constitution, the Council may also accept Associate Members which shall be recognised bodies of accounting professionals of any ASEAN member states, or international recognised bodies of accounting professionals from other countries which are friendly to and supportive of the objectives of AFA – even though they may be outside the territorial jurisdiction of ASEAN.

Article 11 Entitlements and Obligations

- 11.1. Primary Members in good standing are entitled to the following, unless stated otherwise by the Council:
- a. Attend Council meeting and Special meeting;
 - b. Participate in the discussions and deliberations at the Council meeting and Special meeting;
 - c. Vote at Council meeting and Special meeting;
 - d. Nominate individuals as their representatives to the Council as set forth in Article 14, Section V of the Constitution, and to the Working Committees as set forth in Article 30, Section VIII of the Constitution;
 - e. Receive access to AFA materials and documentations; and
 - f. Such other entitlements as the Council may establish.
- 11.2. Associate Members in good standing are entitled to the following, unless stated otherwise by the Council:
- a. Attend Council meeting and Special meeting;
 - b. Participate in the discussions at the Council meeting and Special meeting;
 - c. Nominate individuals as their representatives to the Working Committees as set forth in Article 30, Section VIII of the Constitution;
 - d. Receive access to AFA materials and documentations; and
 - e. Such other entitlements as the Council may establish.
- 11.3. Members are required to make financial contributions determined in accordance with Article 35, Section X of the Constitution.
- 11.4. Additional member obligations are set forth in the By-Laws.

Article 12 Membership Suspension, Termination, and Resignation

- 12.1. The terms and conditions, pursuant to which membership may be suspended, terminated or members are resigning from its membership are set forth in the By-Laws.
- 12.2. Approval of suspension, termination, or resignation of members shall be with the Council.

SECTION IV: ORGANISATION AND GOVERNANCE

Article 13 Governing Bodies, Office Bearers, and Officer

- 13.1. The Council shall be the policy-making and governing body of the Federation.
- 13.2. The Officer Bearers shall be the main executor of the Council's directives and manage the conduct of the Federation.
- 13.3. The Officer of the Federation shall be the Executive Director.

SECTION V: COUNCIL

Article 14 Composition and Designation

- 14.1. The Council is composed of Primary Members as set forth in Article 8, Section III of the Constitution and each Primary Member shall be entitled to nominate up to four (4) official representatives with designation of their voting ascendancy as each member state will have just one (1) vote on any issue that the Council will decide on.
- 14.2. The official representatives shall be designated by the national Professional Accountancy Organisations subject to the provisions of Article 8, Section III of the Constitution.
- 14.3. To ensure continuity of leadership in the Federation, such member state designations shall give due respect and consideration to existing elections, appointments and/or tenurial assignments made or issued by the Council.

Article 15 Authority, Duties, and Responsibilities

- 15.1. The Council shall have the exclusive right, power, and authority to approve:
 - a. Amendments to the Federation's Constitution and By-Laws;
 - b. The AFA Strategic Plan and Budget, and other strategic documents of the Federation;
 - c. Acceptance, suspension, resignation and termination of member organisations;
 - d. Change in membership fee and other strategic financial matters of the Federation;
 - e. Establishment of the Working Committees;
 - f. Hosting of Council meeting, Special meeting, AFA Conference and other events of the Federation;
 - g. Appointment and removal of the Officer of the Federation; and
 - h. Dissolution and liquidation of the Federation.
- 15.2. The Council shall:
 - a. Adopt By-Laws consistent with provisions of this Constitution;
 - b. Take all measures to accomplish the objectives of the Federation;
 - c. Set up strategies for the Office Bearers, Officer, and the Working Committees;
 - d. Provide direction on the hosting of the AFA Conference;
 - e. On nomination of the Treasurer, appoint the external auditor; and
 - f. Publish an annual report of the Federation and its activities.

Article 16 Delegation of Powers

The Council may delegate any of its powers to the Office Bearers and Officer for any period and on any terms (including the power to further delegate) as the Council resolves. The Council may revoke or vary any power delegated to the Office Bearers and Officer.

SECTION VI: MEETING OF THE COUNCIL

Article 17 Frequency

The Council shall meet at least once every six (6) months or as often as may be necessary for the dispatch of the business and for carrying out of the objectives of the Federation.

Article 18 Chair of Council Meeting

18.1. The President shall chair the Council meeting. In his absence, the Deputy President shall chair the Council meeting.

18.2. In the absence of the President or Deputy President, Council members eligible to vote and present in person or by proxy at the Council meeting shall elect a Chair from among the Primary Members' designated representatives.

Article 19 Special Meeting

Special meeting may be convened by the President, seconded by at least two (2) Primary Members, or at the formal request of at least two (2) Primary Members of the Federation, with the approval of the Council.

Article 20 Date, Venue, and Agenda

The date, venue, and agenda of all meetings shall be determined after consultation with all members of the Council.

Article 21 Attendance and Quorum Requirements

21.1. The Council may take action only if a quorum of at least fifty (50) percent of Primary Members is present in person or by proxy at Council meeting or Special meeting.

21.2. If there is no quorum, the Chair shall adjourn the meeting.

Article 22 Decision Making, Proxy, and Voting (Rights and Procedures)

22.1. Decisions at meetings will be determined preferably by consensus to arrive at unanimous agreements.

22.2. If voting is resorted to then the majority rule shall be observed, and the minority shall be duty-bound to accept such majority decision, with the exception of circumstances where the vote of at least two-thirds of all Primary Members eligible to vote are required.

22.3. Each Primary Member in good standing, represented by their representatives as set forth in Article 14, Section V of the Constitution, shall have one (1) vote, which may be cast at any Council meeting in person or by proxy.

- 22.4. The Council shall have the right to decide which decisions where the use of proxy will be allowed.
- 22.5. In the event that the Council does not approve a recommendation, the status quo with regard to such matter shall be maintained until the Council approves an alternative recommendation.

SECTION VII: OFFICE BEARERS AND OFFICER

Article 23 Composition and Role

- 23.1. The Office Bearers shall consist of the President, Deputy President, and Treasurer of the Federation. Based on the incumbent President's discretion and on his nomination, the Council may appoint from among its members the Secretary of the Federation who will be part of the Office Bearers.
- 23.2. The Officer of the Federation shall be the Executive Director, as set forth in Article 13, Section IV of the Constitution.
- 23.3. The Office Bearers and Officer shall exercise the powers delegated to them in accordance with any directions of the Council, and shall strive to run the conduct of the Federation based on the Council's directives and resolutions.
- 23.4. The Officer Bearers and Officer shall be accountable to the Council for the conduct of the affairs of the Federation.
- 23.5. The Office Bearers and Officer shall have no right to vote at the Council meeting and Special meeting.

Article 24 Authorities, Duties, and Responsibilities

The Office Bearers shall have the exclusive right, power, and authority to approve:

- a. Based on the AFA Strategic Plan and Budget as approved by the Council, as set forth in Article 15, Section V of the Constitution, the annual operational expenses of the Federation;
- b. Appointment of the staff of the Federation; and
- c. Decisions pertaining to the operation of the Federation.

Article 25 President and Deputy President

- 25.1. The Council shall appoint from among its members the President of the Federation. The position shall be rotated by country in the alphabetical order of the ASEAN member states, taking into consideration the pairing between develop and developing member organisations, and shall coincide with the hosting of the biennial AFA Conference.
- 25.2. The Council shall appoint from among its members the Deputy President of the Federation, with the intention to succeed to the office of President upon expiration of the President's

term of office. The Deputy President shall ascend to the AFA presidency whenever the presidency becomes permanently vacant for any reason whatsoever. In the event that the Deputy President does not become the President, a new President shall be appointed as set forth in the By-Laws.

- 25.3. The President and Deputy President shall each have term of office of two (2) years in their respective position, commencing at the beginning of the next calendar year after the Council meeting at which the President is elected.
- 25.4. The President and Deputy President may not be appointed for more than one (1) term.
- 25.5. The President presides over the Council meeting, and is available for consultation with the Office Bearers and Officer, liaises with key stakeholders, and advocates on behalf of the Federation and in the public interest.
- 25.6. The Deputy President carries out the duties of the President when the President is unavailable.
- 25.7. The President shall be identified as the spoke person of the Federation. On his absence, the Council shall nominate from the Office Bearers or the Officer.
- 25.8. The President may nominate the Secretary role to the Council.

Article 26 Treasurer

The Council shall appoint from among its members the Treasurer of the Federation. He shall be the official custodian of the properties and funds of the Federation, with obligation to safeguard such properties and funds.

Article 27 Secretary

Based on the incumbent President's discretion and on his nomination, the Council may appoint from among its members the Secretary of the Federation. He shall be appointed from the same national Professional Accountancy Organisation as the President.

Article 28 Executive Director

The Council shall appoint the Executive Director of the Federation, for any period and on any terms (including as to remuneration) as the Council resolves. Subject to any agreement between the Federation and the Executive Director, the Council may vary or terminate the appointment of the Executive Director at any time.

Article 29 Additional Principles Relating to the Office Bearers and Officer

Additional principles relating to the appointment, removal, terms of office, rights, powers, duties, and authorities of the Office Bearers and Officer are set forth in the By-Laws or as otherwise established by the Council.

SECTION VIII: WORKING COMMITTEES

Article 30 Establishment

- 30.1. The Council may establish and dissolve the Working Committees as it deems necessary to handle projects not being undertaken by any previously created Committees, and in pursuit of the Federation's goals and objectives.
- 30.2. The composition, terms, duties, powers, and operating procedures of the Working Committees shall be set forth in each Working Committee's Terms or Reference and approved by the Council.
- 30.3. Membership in Working Committees shall be based on the interest of the AFA member organisations and not compulsory.

Article 31 Working Committee Meeting

- 31.1. Working Committees meeting shall be on a need basis, as agreed by the Chair and members of the Working Committees. It shall however be at least once every six (6) months or as often as may be necessary in accordance with the Terms of Reference of the Working Committees adopted by the Council from time to time.
- 31.2. The Working Committees shall work together with the Office Bearers and Officer and report their activities to the Council at every Council meeting.

SECTION IX: AFA CONFERENCE

Article 32 Frequency and Venue

The Federation shall hold a regional AFA Conference at least once every two (2) years at a date and place to be decided by the Council in consultation with the respective host member state, and under terms and conditions for the conduct, performance, and outcomes, including financial arrangements as determined by the Council.

Article 33 Duty of the Office Bearers

- 33.1. It shall be the duty of the President, in consultation with his national Professional Accountancy Organisation, to submit to the Council the general plan for the next AFA Conference, including the nomination of the Chair of the Organising Committee, AFA Conference theme, and venue.
- 33.2. The President together with his national Professional Accountancy Organisation shall provide updates to the Council on the progress of its preparation and activities for the holding of the AFA Conference. He shall also submit to the Council the final report of the AFA Conference within six (6) months after hosting the event.

Article 34 Other Events

The Federation under considerations and with approval of the Council can hold other events in the name of the Federation, and participate at events that are relevant to the Federation.

SECTION X: FUND

Article 35 Source of Funding

- 35.1. The general and operating funds of the Federation shall basically emanate from membership fee – the amounts of which shall be determined and approved by the Council from time to time, contributions donations from its members, and other sources of income (e.g. grants). Donations from other benefactors shall be subject to acceptance and approval by the Council. The fund can only be used for the purposes of advancing the Federation’s objectives, as approved by the Council.
- 35.2. The Council shall also be empowered to set levies or franchise fees for holding of AFA Conferences and other similar events and activities, and whatever amounts that will be collected shall be added to the Federation’s fund.

Article 36 Administration of Fund

- 36.1. The funds of the Federation shall be administered by the Treasurer, but all disbursement of funds shall be made either through a periodic budget, regular, or special appropriations approved by the Council.
- 36.2. The Office Bearers together with the Officer shall establish Standard Operating Procedures for the administration of fund.

Article 37 Funding of the Headquarters

The Office Bearers shall approve annual provision for operational expenses of the Headquarter to run the Federation’s day-to-day activities.

Article 38 External Auditor

Upon recommendation of the Treasurer, the Council shall appoint an independent external auditor to conduct an audit of the Federation's annual financial statements.

Article 39 Financial Year

The financial year of the Federation shall coincide with the calendar year.

SECTION XI: CONFIDENTIALITY

Article 40 Confidentiality of Information

- 40.1. The Council, Office Bearers, Officer, and Working Committees members shall hold in strict confidence all forms of Confidential (non-public) Information made known to them by the Federation or other third parties with whom the Federation has dealings with, during any meeting including but not limited to the Council, Special and/or Working Committee meetings.
- 40.2. “Confidential Information” referred above shall include but is not limited to any information in any form which is not available in the public domain or any information which is designated in writing to be confidential or by its nature intended to be only for the knowledge of the member organisations or if orally given, is given in the circumstances of confidence, the disclosure of which would be detrimental to the Federation and/or its stakeholders.
- 40.3. No Council, Office Bearers, Officer, and Working Committees members shall divulge, disclose or release by any means to any member of the public any confidential information acquired by virtue of their office, directly or indirectly and either in oral or written form, except when required by law or authorised by the Council in any meeting of the Council to do so.
- 40.4. The Council, Office Bearers, Officer, and Working Committees members shall not discuss any issues and matters of the Federation with any party outside of the Council and/or Working Committees, either electronically or by any other means without prior consent from the Office Bearers.

SECTION XII: FINAL PROVISIONS

Article 41 By-Laws and Policies

- 41.1. The Council may amend or repeal By-Laws or enact new By-Laws with immediate effect, to implement the provisions of this Constitution. This would require at least two-thirds of all Primary Members vote.
- 41.2. In addition, the Council may adopt, amend, and repeal policies of the Federation.

Article 42 Amendments to the Constitution

All amendments to this Constitution shall have immediate effect upon approval and ratification by at least two-thirds of all Primary Members eligible to vote.

Article 43 Interpretation

- 43.1. Word importing the masculine gender shall include the feminine gender, and words in the singular shall include the plural and words in the plural shall include the singular.

43.2. In the event of a conflict between the provisions of the Constitution and the provisions of the By-Laws or Policy, the provisions of this Constitution shall prevail.

Article 44 Dissolution and Liquidation

AFA may be dissolved by resolution of the Council meeting. In the event of dissolution, liquidation of the Federation's assets remaining after satisfaction of the Federation's debts and liabilities shall be under the considerations and approval of the Council.

SECTION XIII: EFFECTIVE DATE

Article 45 Effective Date

This Amended Constitution as well as any amendments thereto shall take effect immediately upon their approval and ratification by the required votes provided in Article 41, Section XII of the Constitution.

ORIGINAL AFA CONSTITUTION

Approved by the AFA Council: 12 March 1977 – Bangkok.

AMENDMENTS TO THE AFA CONSTITUTION

Approved by the AFA Council: 12 January 1997 – Hanoi.

AMENDMENTS TO THE AFA CONSTITUTION

Approved by the AFA Council: 25 June 1997 – Singapore.

Confirmed by the AFA Council: 21 September 1997 – Petaling Jaya.

AMENDMENTS TO THE AFA CONSTITUTION

Proposed by the AFA Council: 1 July 2006 – Manila.

Confirmed by the AFA Council: 9 September 2006 – Singapore.

Confirmed by the AFA Council: 27 January 2007 – Bangkok.

Approved by the AFA Council: 2 June 2007 – Da Nang.

AMENDMENTS TO THE AFA CONSTITUTION

Proposed by the AFA Council: 20 February 2016 – Vientiane.

Confirmed by the AFA Council: 21 May 2016 – Singapore.

Approved by the AFA Council: 22 October 2016 – Bangkok.

AMENDMENTS TO THE AFA CONSTITUTION

Proposed by the AFA Council: 125th AFA Council Meeting, 9 December 2017 – Vientiane

Confirmed by the AFA Council: AFA Strategic Meeting, 20 January 2018 – Bangkok

AMENDMENTS TO THE AFA CONSTITUTION

Proposed by the AFA Council: 127th AFA Council Meeting, 3 November 2018 – Sydney

Confirmed by the AFA Council: 127th AFA Council Meeting, 3 November 2018 – Sydney



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BY-LAWS OF THE ASEAN FEDERATION OF ACCOUNTANTS

Pursuant to Article 15, Section IV of the AFA Constitution, the Council hereby adopts the following By-Laws.

SECTION I: GENERAL INFORMATION

Article 1 General Statement

Provisions of these By-Laws shall be read in conjunction with the relevant provisions of the Constitution. If any provision of these By-Laws is inconsistent with provisions of the Constitution, the provisions of the Constitution shall prevail.

Article 2 Federation Seal

The seal (or logo) of the Federation and the use of it shall be determined by the Council. Such seal or logo shall be used in all official stationeries, brochures, announcements, releases, literature and/or other forms of communication from the Federation.

Article 3 ASEAN Seal

As an accredited Civil Society Organisation of the Association of Southeast Asian Nations (ASEAN), the Federation shall endeavour to use the ASEAN seal side-by-side with the Federation's seal.

SECTION II: HEADQUARTERS

Article 4 Permanent Secretariat

The Permanent Secretariat is established in Jakarta, Indonesia, supported by Ikatan Akuntan Indonesia as the recognised national Professional Accountancy Organisation in Indonesia.

Article 5 Change in Secretariat

The Council has the right to cease establishment of the Permanent Secretariat shall the supporting Primary Member's membership with the Federation is ceased under the provisions of Article 7, Section III of the By-Laws.



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SECTION III: MEMBERSHIP AND REPRESENTATION

Article 6 Member Admission Criteria and Obligations

- 6.1. Primary Member status shall be open to recognised national Professional Accountancy Organisation of any ASEAN member states that meet the following criteria:
 - a. The organisation is created under a specific statute or regulation of a particular ASEAN member state, or in the absence thereof, the recognised national organisation of accounting professionals in said member state;
 - b. The organisation supports the vision and mission of the Federation;
 - c. The organisation is financially and operationally viable, and has an appropriate governance structure;
 - d. The organisation has an internal operating structure that provides for the support and regulation of its members;
 - e. The organisation has the financial capacity to make member contributions determined in accordance with the basis of assessment approved by the Council, and makes such contributions;
 - f. The organisation demonstrates capacity to actively participate in the Federation's activities; and
 - g. The organisation abides by the relevant provisions of the Constitution and By-Laws.
- 6.2. Associate Member status shall be open to recognised bodies of accounting professionals of any ASEAN member states, or international recognised bodies of accounting professionals from other countries which are friendly to and supportive of the objectives of AFA that meet the following criteria:
 - a. The organisation is recognised by a specific statute or regulation, or in the absence thereof, is registered, recognised, and active in the country that it represents;
 - b. The organisation supports the vision and mission of the Federation;
 - c. The organisation is a member of the International Federation of Accountants (IFAC), or in the case of those who are locally incorporated in any of the ASEAN member states, an IFAC Associate;
 - d. The organisation is financially and operationally viable, and has an appropriate governance structure;
 - e. The organisation has an internal operating structure that provides for the support and regulation of its members;
 - f. The organisation has the financial capacity to make member contributions determined in accordance with the basis of assessment approved by the Council, and makes such contributions;
 - g. The organisation demonstrates capacity to actively participate in the Federation's activities; and
 - h. The organisation abides by the relevant provisions of the Constitution and By-Laws.
- 6.3. The Council may establish additional criteria and procedures for organisations to be admitted as a Primary Member or Associate Member of the Federation.



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- 6.4. Members shall be admitted by the Council, approved by at least two-thirds of all Primary Members eligible to vote.
- 6.5. Membership shall take immediate effect immediately upon approval and resolution of the Council.

Article 7 Membership Suspension, Termination, and Resignation

- 7.1. A member organisation may be suspended by the Council for the following causes:
 - a. Failure to maintain compliance with the relevant admission criteria and obligations;
 - b. Failure to pay its financial contribution in full prior to the date of the Council meeting following the date on which such contribution has become due; or
 - c. Acts bringing the Federation or the accountancy profession into disrepute.
- 7.2. A suspended member organisation shall not be in good standing, but will continue to retain its status as Primary Member or Associate Member.
- 7.3. A suspended member organisation shall not be entitled to the entitlements set forth in the Constitution and By-Laws.
- 7.4. If the cause of suspension is rectified during the suspension period, the suspension shall be rescinded, effective as of the date of the rectification.
- 7.5. Primary Member status shall be ceased under any of the following conditions:
 - a. The country in which the member organisation is domiciled ceases to be a member state of the ASEAN;
 - b. The organisation voluntarily withdraws from the Federation upon serving notice to the Council and after consultation with the ASEAN; or
 - c. Commission by the member organisation of acts inimical to the Federation as determined by the Council.
- 7.6. Associate Member status shall be ceased under any of the following conditions:
 - a. The member organisation voluntarily withdraws from the Federation upon serving notice to the Council; or
 - b. Commission by the member organisation of acts inimical to the Federation as determined by the Council.
- 7.7. A member organisation may voluntarily withdraw by giving written notice to the Officer at least six (6) months in advance of the effective date of resignation. Such resignation shall generally be effective as of the end of calendar year in which notice is given, unless the Council expressly consents to a different effective date.
- 7.8. A member organisation that has resigned may not apply for re-admission for a period of three (3) years after the date its resignation became effective, unless it makes the financial



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contributions including interests for the periods it would have made had it remained a member of the Federation.

Article 8 Outstanding Financial Contributions

- 8.1. Notwithstanding a member organisation's suspension, termination, or resignation prior to December 31, such member organisation shall remain obligated to pay the Federation:
 - a. The total outstanding balance of its financial contribution including interests for the periods, and any other amounts owed to the Federation;
 - b. In case of resignation with written notice being given on or after July 1, the full amount of such member's financial contribution for the immediate following fiscal year;
 - c. In case of suspension, the total of all financial contributions assessed during the suspension period.
- 8.2. A member organisation that resigns or is terminated from its membership shall not be entitled to any portion of the financial contribution and any other fees, assets, or amounts that it previously paid or contributed to the Federation.
- 8.3. A member organisation expelled for failure to satisfy its outstanding financial obligations will be automatically reinstated to its status if all outstanding amounts owed by such former member organisation, including the financial contributions and interest due for the period of expulsion, the suspension period, and the period prior to the suspension period, are paid in full within two (2) years of the date on which it was expelled.

Article 9 Significant Organisational Restructuring

- 9.1. A member organisation that engage in significant organisational restructuring shall inform the Officer at the earliest opportunity, subject to confidentiality restrictions, if the restructuring may affect the member organisation's membership status with the Federation.
- 9.2. A significant organisational restructuring includes but not limited to:
 - a. A merger of member organisations, or of a member organisation and another organisation;
 - b. A takeover of or by a member organisation, or of a member organisation and another organisation;
 - c. A new organisation emerging from a member;
 - d. Significant changes to governance, financial, or operational arrangements of a member organisation; or
 - e. Changes to the acknowledgement of a member organisation, either by legal decree or by general consensus, as being a recognised national Professional Accountancy Organisation in good standing in the jurisdiction in which it operates.



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- 9.3. A significant organisational restructuring by a member organisation shall be recognised by the Federation on the date of the restructuring becomes effective, and:
- a. The Council shall determine whether the restructured organisation should be subject to re-admission, in which case the affected member organisation will retain their pre-restructured status until such time as the restructured organisation has completed the admission procedures and is admitted by the Council, as the case may be;
 - b. The affected member organisation shall pay the total outstanding balance of their financial contribution and any other amounts owed to the Federation in their pre-restructured status;
 - c. If the effective date of the restructuring is on or after July 1, the affected member organisation shall pay the full amount of their pre-restructured financial contribution due in respect of the immediately following fiscal year; and
 - d. Council members nominated by the affected member organisation shall retain their Council status until the next Council meeting after the effective date of the restructuring, during which their Council status shall be re-allocated according to the Council allocation procedures set forth in the Article 14, Section V of the Constitution.

SECTION IV: ORGANISATION AND GOVERNANCE

Article 10 Governing Bodies, Office Bearers, and Officer

The governing body, Office Bearers, and Officer are set forth in Article 13, Section IV of the Constitution.

SECTION V: COUNCIL

Article 11 Composition and Designation

- 11.1. The Council representatives designated by the Primary Members shall be a Council member or the Chief Executive or equivalent officer of that member organisation.
- 11.2. In case of a dispute over who is the designated representative, the AFA President shall make the final determination.

Article 12 Authorities, Duties, and Responsibilities

The Council shall exercise all powers necessary or requisite for the attainment of the objectives of the Federation, provided that such exercise shall be consistent with duly enacted resolutions of the Federation or its Council, and provided further that they are in consonance with the AFA Constitution and these By-Laws.



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SECTION VI: MEETING OF THE COUNCIL

Article 13 Council Meeting

Council meeting shall be held at a date, time, and location as proposed by the hosting member organisation and approved by the Council.

Article 14 Special Meeting

- 14.1. Special meeting shall be held at a date, time, and location as proposed by the President, seconded by at least two (2) Primary Members, or at the formal request of at least two (2) Primary Members, and approved by the Council.
- 14.2. Special meeting shall be held within six (6) months of the Council's approval, determined preferably by consensus to arrive at unanimous agreements. If voting is resorted to then the majority rule shall be observed, and the minority shall be duty-bound to accept such majority decision.
- 14.3. Special meeting may be held by way of telephone conference, video conference, or other electronic means as decided by the Council.

Article 15 Notice of Council Meeting

- 15.1. The Officer through the AFA Headquarter shall send a notice of Council meeting to each member organisation, containing the date, time, location (or details for participating in the meeting), and agenda of the Council meeting (including agenda of items to be considered at the Council meeting).
- 15.2. Notice of Council meeting shall be transmitted by an appropriate mode of communication at least two (2) months in advance of the Council meeting.

Article 16 Agenda of Council Meeting

- 16.1. A member in good standing may request that an item in the agenda be modified or added to the agenda of a Council meeting.
- 16.2. A request made in advance of the meeting shall be received by the Officer at least one (1) month in advance of the meeting, and shall be approved by the Office Bearers. The Officer shall distribute a revised agenda at least two (2) weeks prior the scheduled date of the Council meeting.
- 16.3. A request made at the commencement of the Council meeting shall be approved by the affirmative vote of the majority of Primary Members eligible to vote and present in person or by proxy at the Council meeting.



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Article 17 Right to Attend Council Meeting

- 17.1. At any Council meeting, each Primary Member can be represented by up to two (2) official representatives out of the four (4) names submitted to the Federation as the designated official representatives of the member organisation, as set forth in Article 14, Section V of the Constitution
- 17.2. In addition to the designated official representatives from each Primary Member, the following individuals shall be entitled to attend but shall not be entitled to participate or vote at the Council meeting:
 - a. A maximum of two (2) observers from each Primary Member; and
 - b. By invitation of the Council, representatives of other relevant organisations.
- 17.3. Associate Members shall be entitled to be represented by up to two (2) official representatives and a maximum of two (2) observers at any Council meeting, unless stated otherwise by the Council.
- 17.4. As set forth in Article 11, Section III of the Constitution, the Council has a discretion over among others, Associate Members' entitlement to attend and participate in the discussions at the Council meeting and Special meeting. This discretion may be based on but not limited to:
 - a. Sensitivity of the topic, particularly those that are relevant to any of the Associate Member such as their membership status or capacity to meet their membership obligations;
 - b. Conflict of interest, with any Primary Member and where the topic discussed may detriment any Associate Member;
 - c. A request made by a Council member or relevant stakeholders on issues that are strategic to AFA and its member organisations and require confidentiality only among AFA and its members who are representatives of the ASEAN member states (Primary Members). For example, discussion on ASEAN member states Government policies; or
 - d. Any other issues that involve any of the Associate Member and need to be discussed in confidentiality by the Council, as proposed by the President.
- 17.5. In the event of potential conflict of interest as explained in Article 17.4, Section VI of this By-Laws, member must disclose their position to the Council prior to the discussion of such topic.
- 17.6. The use of Council's discretion as explained in Article 17.4, Section VI of this By-Laws must be approved by the Council and fully disclosed to all AFA member organisations prior to the AFA Council Meeting.



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Article 18 Decision Making, Proxy, and Voting (Rights and Procedures)

- 18.1. Decisions at meetings shall be determined preferably by consensus to arrive at unanimous agreements. If voting is resorted to, then the majority rule shall be observed, and the minority shall be duty-bound to accept such decision. In case a vote is taken and there is a resulting tie, the Chair – who is considered as representing the Federation, shall cast the deciding vote.
- 18.2. The method of voting at any Council meeting, unless specifically provided for in the Constitution or By-Laws, shall be determined by the Chair of the Council meeting and announced to the Council following confirmation of the presence of a quorum.
- 18.3. A delinquent member may have its designated Council representatives attend the Council meeting, but shall not participate in the discussions and deliberations, and shall not have a vote.
- 18.4. The vote on any resolution proposed at a Special meeting shall include:
 - a. Votes (including duly registered proxies) cast by members physically present at such Special meeting; and
 - b. In the case of an electronic meeting, votes (including duly registered proxies) cast by members participating in such Special meeting by electronic means.
- 18.5. A Primary Member may give a proxy to cast its vote at a Council meeting to:
 - a. The designated representative of any Primary Member entitled to vote, provided that no single designated representative may hold more than one (1) proxy in respect of a single resolution being voted upon; or
 - b. The Chair of the Council meeting, provided that the Chair may not hold, in respect of a single resolution being voted upon, a proxy from his member organisation.
- 18.6. A proxy is valid if the Officer received the proxy by an appropriate mode of communication at least twenty-four (24) hours prior to the scheduled start of the Council meeting. In extraordinary circumstances, the Chair shall have the discretion to present a late proxy to the Council, which may authorise its effectiveness by a simple majority vote.

Article 19 Hosting of Council Meeting and Special Meeting

- 19.1. Privilege for the hosting of the Council meeting shall be rotated by country in the alphabetical order of the ASEAN member states. Members may be given the flexibility to swap the opportunities to host with other member organisation, with the approval of the Council.
- 19.2. Associate Member can host a Council meeting, or co-host a Council meeting together with a Primary Member. Associate Member may submit proposal to host a Council meeting to the Officer, to be considered and approved by the Council.



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- 19.3. Hosting of Special meeting shall be based on proposal of the member organisation or considerations of the Council, both with approval of the Council.

SECTION VII: OFFICE BEARERS AND OFFICER

Article 20 Authority of the Office Bearers

In exercising powers delegated to them, the Office Bearers can further delegate the powers to the Officer for the purpose of the operation of the Federation.

Article 21 Appointment of the President and Deputy President

- 21.1. The member organisation where the incoming Deputy President is coming from shall provide the Council with the curricula vitae of the endorsed candidate and other supporting material.
- 21.2. In the event the Council does not approve the appointment of the Deputy President, the position of Deputy President shall remain vacant until the Council has approved the appointment of a Deputy President.
- 21.3. In the event that the Deputy President should not become the President, the endorsing member organisation shall propose other candidate for further consideration by the Council.
- 21.4. In the event the Council does not approve the Deputy President to become the President, the President – whose term was to end – shall remain the President and the position of Deputy President shall remain vacant until such time as the Council approves the appointment of a Deputy President and President.

Article 22 Role of the President and Deputy President

- 22.1. The President shall be the presiding officer of the governing Council as well as in all meeting of the Federation. He shall exercise general supervision over all the activities of the Federation. He shall see to it that the resolutions approved by the Council, are complied with. He shall represent the Federation on all occasions and in all matters where it should be represented, or if unable to personally do so, he may designate the Deputy President or any Council member or the Officer to perform such role. He shall perform such other duties as are ordinarily appertaining to his office and those that the Council may, by consensus or resolution, determine or delegate to him from time to time.
- 22.2. The Deputy President shall be vested with such powers and authorities as may be bestowed by the Council, or as may be delegated by the President. He shall perform all the duties and exercise the prerogatives of the President during the absence or incapacity of the President for any cause. He shall assist the President in all matters affecting the external relations of the Federation, and shall ascend to the Presidency once it becomes permanently vacant for any reason whatsoever.



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Article 23 Role of Treasurer

- 23.1. In managing the Federation's properties and funds, the Treasurer shall be in communication with the Office Bearers and Officer, and exercise the powers delegated to him in accordance with any directions of the Council.
- 23.2. The Treasurer shall submit periodic reports on the status of properties and funds at every Council meeting.

Article 24 Role of Secretary

The Secretary shall support the President in ensuring smooth functioning of the AFA Council meeting and Special meeting, keep all records of the Federation and shall be responsible for its correctness and accuracy. The Secretary shall be in coordination with the Officer.

Article 25 Executive Director

- 25.1. The Executive Director establishes and maintains relationship with key stakeholders and manages the operations of the Federation in accordance with the strategic plan and related budget as approved by the Council.
- 25.2. The Executive Director's performance shall be reviewed periodically by the Office Bearers, to be reported to the Council.

Article 26 Removal of the Office Bearers and Officer

The Council has the authority to remove the Office Bearers and Officer from office for non-performance, including but not limited to, non-attendance at meetings or other cause, with the vote of at least two-thirds of all Primary Members eligible to vote.

SECTION VIII: WORKING COMMITTEES

Article 27 Establishment

- 27.1. The Working Committees shall always endeavour to work in cooperation with the Office Bearers and Officer, and within the guidelines of its creation as approved by the Council.
- 27.2. Each Working Committee created under Article 30, Section VIII of the Constitution shall be under direct charge of and chaired by a representative of a Primary Member as appointed by the Council.
- 27.3. Membership composition of each Working Committees shall be determined with due consideration to the nature and magnitude of the Working Committees undertakings. Membership shall consist of representatives of the members and by invitation, relevant



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individuals in good standing. Membership of the Working Committees shall be approved by the Council.

- 27.4. The Chair of the Working Committees shall submit periodic reports on the progress of their activities at every Council meeting.

Article 28 Working Committees Meeting

- 28.1. The Working Committees meeting shall be held in time and place as agreed by the Chair and members of the Working Committees, giving due consideration to the travel expenses which may be incurred by its members.
- 28.2. The Working Committees meeting may be held by way of telephone conference, video conference, or other electronic means as decided by the Working Committees.
- 28.3. Minutes of the Working Committees meetings shall be submitted to the Officer, to be circulated to the AFA members.

SECTION IX: AFA CONFERENCE

Article 29 Duty of the Office Bearers

- 29.1. The President in support of the hosting national Professional Accountancy Organisation shall be required to submit to the Council one (1) year in advance, the general plan and program for the upcoming AFA Conference. The Council shall advise the President and the hosting member on the hosting of the AFA Conference.
- 29.2. The President and the hosting member organisation shall provide updates on the progress of its preparation and activities for the holding of the AFA Conference at every Council meeting.

Article 30 Participation

- 30.1. All invited member organisations shall endeavour to send a maximum number of delegates from their respective countries to AFA Conference and other events of the Federation. The Council, with inputs from the hosting member organisation, may however limit the number of participants that may be expected from each country.
- 30.2. Members shall make the effort to support the distribution of information on the AFA Conference and other events of the Federation.



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Article 31 Franchise or Levy

- 31.1. The Council shall determine and set a franchise fee or levy policy for the hosting of the AFA Conference and other events of the Federation. Amount collected shall be reported to the Council and remitted by the hosting member organisation to the Treasurer, no later than six (6) months from the date of the AFA Conference or other events of the Federation.
- 31.2. The Office Bearers and Officer with the support of the member organisation hosting the respective Council meeting seek financial supports to fund for the AFA Conference and other events of the Federation. The Council shall have the right to refuse particular supporters or contributors of the events.

Article 32 Other Events

Member organisations may propose to the Council programs to hold other events of the Federation or to co-host particular events with the Federation. The Council shall approve the propositions with affirmative vote of the majority of Primary Members eligible to vote.

SECTION X: FUND

Article 33 Administration of Fund

- 33.1. The Office Bearers together with the Officer shall establish Standard Operating Procedures for the administration of fund, in line with requirement of Article 36, Section 10 of the Constitution.
- 33.2. The Officer shall propose to the Council a four-year budget, and to the Office Bearers operational expenses for the year at the latest three (3) months before the beginning of the following calendar year, as set forth in Article 36, Section X of the Constitution. This will include the funding of the Headquarter, as set forth in Article 36, Section X of the Constitution.

Article 34 Source of Funding

The Council shall establish the membership fee of the Federation, with the vote of at least two-thirds of all Primary Members eligible to vote. Any changes to the membership fee shall be communicated to the members minimum six (6) months prior to the implementation of the new membership fee.

Article 35 Funding of the Headquarter

The Office Bearers shall approve the annual provision for operational expenses of the Headquarter to run the Federation's day-to-day activities.



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Article 36 Financial Year

The financial year of the Federation shall end on December 31.

Article 37 Publication of Financial Statements

- 37.1. Annual financial statements shall be prepared in accordance with the latest standards on accounting and an independent audit shall be conducted in accordance with the latest standards on auditing, as applied in the jurisdiction where the Federation maintain its finance.
- 37.2. The auditor shall submit its annual audited financial statements to the Office Bearers, complete with summary or exceptions and observations as well as recommendation to further optimise the operations and activities of the Federation. The Office Bearers shall report the annual audited financial statements to the Council.

Article 38 External Auditor

The audit of the financial condition and operations of the Federation shall be handled by an external auditor which shall be appointed by the Council, upon recommendation of the Treasurer.

SECTION XI: CONFIDENTIALITY

Article 39 Confidentiality of Information

Should required by law or for other purposes that the Council, Office Bearers, Officer, or Working Committees members need to disclose confidential information related to the Federation, a formal communication need to be submitted to the AFA Office Bearers and Officer.

SECTION XII: FINAL PROVISIONS

Article 40 By-Laws and Policies

The Council shall have the authority to adopt, amend, or repeal policies in support of the matters identified in the Constitution and By-Laws. The Council can delegate this authority to the Office Bearers and Officer.

Article 41 Amendments to the By-Laws and Policies

- 41.1. All amendments to these By-Laws shall have immediate effect upon approval and ratification by at least two-thirds of all Primary Members eligible to vote.



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- 41.2. All amendments to the policies shall have immediate effect upon approval and ratification by affirmative vote of the majority of Primary Members eligible to vote.

Article 42 Interpretation

- 42.1. Word importing the masculine gender shall include the feminine gender, and words in the singular shall include the plural and words in the plural shall include the singular.
- 42.2. In the event of a dispute or question of interpretation concerning the true meaning, intent, or application of any provision of the Constitution or the By-Laws, such dispute or question shall be resolved as follows:
- In case of a dispute or question of interpretation regarding a provision of the Constitution or By-Laws, the Council shall have the authority to conclusively resolve such matter; and
 - In the event that any dispute or question of interpretation arises under circumstances in which it is not practicable to wait until the next Council meeting the President, upon consultation with the Office Bearers, shall have the authority to conclusively resolve such matter. This resolution shall have effect until the next Council meeting at which such resolution shall either be ratified or overturned by vote of the Council.

SECTION XIII: EFFECTIVE DATE

Article 44 Effective Date

This Amended By-Laws as well as any amendments thereto shall take effect immediately upon their approval and ratification by the required votes provided in Article 40, Section XII of the By-Laws.

ORIGINAL AFA BY-LAWS

Approved by the AFA Council: 12 March 1977 – Bangkok.

AMENDMENTS TO BY-LAWS

Approved by the AFA Council: 2 October 1995 – Bali.

AMENDMENTS TO BY-LAWS

Approved by the AFA Council: 12 January 1997 – Hanoi.

Approved by the AFA Council: 25 June 1997 – Singapore.



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AMENDMENTS TO BY-LAWS

Proposed by the AFA Council: 1 July 2006 – Manila.

Confirmed by the AFA Council: 9 September 2006 – Singapore.

Confirmed by the AFA Council: 27 January 2007 – Bangkok.

Approved by the AFA Council: 2 June 2007 – Da Nang.

AMENDMENTS TO BY-LAWS

Proposed by the AFA Council: 20 February 2016 – Vientiane.

Confirmed by the AFA Council: 21 May 2016 – Singapore.

Approved by the AFA Council: 22 October 2016 – Bangkok.

AMENDMENTS TO THE AFA BY-LAWS

Proposed by the AFA Council: 125th AFA Council Meeting, 9 December 2017 – Vientiane

Confirmed by the AFA Council: AFA Strategic Meeting, 20 January 2018 – Bangkok

AMENDMENTS TO THE AFA BY-LAWS

Proposed by the AFA Council: 126th AFA Council Meeting, 19 May 2018 – Phnom Penh

Confirmed by the AFA Council: 126th AFA Council Meeting, 19 May 2018 – Phnom Penh

AMENDMENTS TO THE AFA BY-LAWS

Proposed by the AFA Council: 127th AFA Council Meeting, 3 November 2018 – Sydney

Confirmed by the AFA Council: 127th AFA Council Meeting, 3 November 2018 – Sydney