

THE BY-LAWS

1. INTERPRETATION

In these By-Laws unless the subject or context otherwise requires:-

- (1) "the Charter" means the Royal Charter of incorporation granted to the existing Institute in the year 1987 as amended from time to time;
- (2) "the Board of Governors" means the Board of Governors for the time being of The London Institute of Banking & Finance;
- (3) "the Office" means the place designated by the Board of Governors as the chief place of business of The London Institute of Banking & Finance;
- (4) "Officer" shall mean either of the following - the Chairman of the Board of Governors or the Chairman of the Audit Committee for the time being of The London Institute of Banking & Finance;
- (5) "the Chief Executive" means the member of the Board of Governors who is the principal academic and chief executive officer of The London Institute of Banking & Finance who may be designated as the Chief Executive, the Chief Executive Officer or any other title as may be approved by the Board of Governors.
- (6) "Professors" are those persons of distinction who are associated with the academic activities of The London Institute of Banking & Finance, and whose contribution is deserving of public recognition, who have been granted the title in accordance with regulations laid down by the Academic Board.

Words importing the singular number only shall include the plural number and vice versa.
Words importing the masculine gender only shall include the feminine gender.

2. MEMBERS OF THE LONDON INSTITUTE OF BANKING & FINANCE

Members of The London Institute of Banking & Finance shall consist of Alumni, Students and Subscribers and Associates, Fellows, Chartered Associates, Chartered Fellows and Honorary Fellows, each as defined in this By-Law.

- (1) "Alumnus/Alumni" means any past Students of The London Institute of Banking & Finance or other persons having participated in programmes of The London Institute of Banking & Finance and having been awarded an academic award of The London Institute of Banking & Finance;
- (2) "Associates of The London Institute of Banking & Finance" are Alumni of and Subscribers to The London Institute of Banking & Finance elected by the Board of Governors having regard to their qualifications at first degree or first degree equivalent level. Those elected as Associates of the Chartered Institute of Bankers or as Associates of the *ifs* School of Finance under previous By-Laws shall be entitled to retain the designation Associate of the Chartered Institute of Bankers or Associates of the *ifs* School of Finance but may alternatively apply to the Board of Governors for election as an Associate of The London Institute of Banking & Finance;
- (3) "Fellows of The London Institute of Banking & Finance" are Alumni of and Subscribers to The London Institute of Banking & Finance elected by the Board of Governors having regard to their qualifications and experience after qualification to first degree or first degree equivalent level. Those elected as Fellows of the Chartered Institute of Bankers or as Fellows of the *ifs* School of Finance under

previous By-Laws shall be entitled to retain the designation Fellow of the Chartered Institute of Bankers or as Fellows of the *ifs* School of Finance but may alternatively apply to the Board of Governors for election as a Fellow of The London Institute of Banking & Finance;

- (4) "Chartered Associates of The London Institute of Banking & Finance" are Associates who have been authorised to use that description in accordance with regulations laid down by The London Institute of Banking & Finance Board of Governors setting out:
- (a) requirements for membership of The London Institute of Banking & Finance
 - (b) prior experience and qualification requirements to be satisfied by applicants;
 - (c) the volume and nature of continuing personal development activity required to maintain eligibility to use the description, and
 - (d) the consequences of failure to comply with the regulations unless a waiver or variation to the requirements has been granted by the Board of Governors of The London Institute of Banking & Finance.
- (5) "Chartered Fellows of The London Institute of Banking & Finance" are Fellows who have been authorised to use that description in accordance with regulations laid down by The London Institute of Banking & Finance Board of Governors setting out:
- (a) requirements for membership of The London Institute of Banking & Finance;
 - (b) prior experience and qualification requirements to be satisfied by applicants;
 - (c) the volume and nature of continuing personal development activity required to maintain eligibility to use the description; and
 - (d) the consequences of failure to comply with the regulations unless a waiver or variation to the requirements has been granted by the Board of Governors of The London Institute of Banking & Finance.
- (6) "Chartered Members of The London Institute of Banking & Finance" are Members of The London Institute of Banking & Finance who have been authorised to use that description in accordance with regulations laid down by The London Institute of Banking & Finance Board of Governors setting out:
- (a) requirements for membership of The London Institute of Banking & Finance;
 - (b) prior experience and qualification requirements to be satisfied by applicants;
 - (c) the volume and nature of continuing personal development activity required to maintain eligibility to use the description, and
 - (d) the consequences of failure to comply with the regulations unless a waiver or variation to the requirements has been granted by the Board of Governors of The London Institute of Banking & Finance.
- (7) "Honorary Fellows of The London Institute of Banking & Finance" are those elected under By-Laws from individuals of distinction in the practice, teaching or literature of financial services. Honorary Fellows of the Chartered Institute of Bankers or the *ifs* School of Finance may continue to make reference to that honour;
- (8) "Student" means any person registered on a course or other programme of study leading to an academic award of The London Institute of Banking & Finance;
- (9) "Subscriber" means any person, including students and former students, who subscribes to services offered by The London Institute of Banking & Finance."

3. REGULATIONS

The Board of Governors may exercise all such powers of The London Institute of Banking & Finance and do on behalf of The London Institute of Banking & Finance all such acts as may be exercised and done by The London Institute of Banking & Finance subject nevertheless to these By-Laws and to the provisions of the Charter for the time being in force and to such regulations as may be made by Board of Governors. Subject to the Charter, these By-Laws and regulations the Board of Governors may make rules in respect of its own procedure and in respect of any matter relating to the management of the affairs of The London Institute of Banking & Finance .

4. THE BOARD OF GOVERNORS

(1) The Board of Governors shall consist of the following persons:

(a) **EX OFFICIO MEMBERS**

- (i) The Chairman, who shall be elected in accordance with rules made by the Board of Governors.
- (ii) The Chief Executive, who shall also represent the Academic Board at meetings of the Board of Governors.

Ex Officio members shall remain members of the Board of Governors for so long as they hold the relevant offices.

(b) **APPOINTED MEMBERS**

- (i) Not more than twelve members to be appointed by the Board of Governors as representative of the financial services industry, commerce, the educational system, the securities and investment sector and public services.
- (ii) One member to be appointed by the Board of Governors, such member having a financial background or qualification, who shall additionally act as Chairman of the Audit Committee.
- (iii) One member to be appointed from the Students of The London Institute of Banking & Finance in accordance with the requirements of the guidance of the Committee of University Chairs and in such manner as shall be prescribed from time to time by Regulation.
- (iv) One member to be appointed from the academic community of The London Institute of Banking & Finance in accordance with the requirements of the guidance of the Committee of University Chairs and in such manner as shall be prescribed from time to time by Regulation.

Subject to such rules as may be determined from time to time by the Board of Governors, appointed members of the Board of Governors, including the Chairman, shall serve for a three-year period and are eligible for re-appointment subject to a maximum of six years' service. These periods shall not be applicable in respect of any member or Chairman who is elected by the Board of Governors to serve in a casual capacity pending the appointment of a permanent member or Chairman to fill that vacancy.

(2) A member of the Board of Governors shall cease to be a member:

- (a) If a receiving order in bankruptcy is made against him, or he makes any arrangement or composition with his creditors; or
- (b) If the Board of Governors, after due consideration of a report on that member by an independent medical authority determines that he is incapable, by reason of

physical incapacity or mental disorder, of performing the functions of a member of the Board of Governors; or

- (c) If he resigns his membership by notice in writing; or
 - (d) If (after he shall have been afforded a reasonable opportunity to address the Board of Governors) a resolution shall be passed or a notice be signed by not less than three-quarters of all the members of the Board of Governors, requiring him to vacate his membership.
- (3) A casual vacancy amongst the members of the Board of Governors may be filled by the Board of Governors until the expiry of the term of office of the outgoing member.
- (4) The Board of Governors shall meet four times a year, or as often as the Board of Governors may determine. Five members' attendance would be required to be a quorum.

5. THE CHAIRMAN OF THE BOARD OF GOVERNORS

- (a) The Chairman of the Board of Governors shall hold office for an initial period of three years or such period as the Board of Governors shall determine, and may hold office for a further period of three years or such period as the Board of Governors shall determine or, in either case, until he ceases to be a member of the Board of Governors, or he is removed from such office by a resolution passed by not less than three-quarters of all the members of the Board of Governors whichever shall be the earlier. The Chairman shall be elected by the Board of Governors on recommendation by the Nominations Committee, a sub committee of the Board of Governors.
- (b) If any casual vacancy shall occur in the office of Chairman, the Board of Governors shall as soon as conveniently may be after the occurrence of such vacancy elect either another member of the Board of Governors or an external temporary Chairman (not being a member of the Staff) to fill such vacancy until an alternative Chairman is appointed or for the remainder of the term of office of the former Chairman whether or not the appointment of that member would cause the periods set out in Article 4(1)(b) to be exceeded. Pending such election, the member of the Board of Governors (if any) designated by the Board of Governors for the purpose, and otherwise such member so designated by the Chief Executive, shall perform all the functions and duties of the Chairman.

6. POWERS AND DUTIES OF THE BOARD OF GOVERNORS

- (1) The Board of Governors shall conduct the general business of The London Institute of Banking & Finance consistently with the provisions of the Charter and the By-Laws and shall ensure that the academic staff of The London Institute of Banking & Finance have freedom within the law to question and test received wisdom, and to put forward new ideas and controversial or unpopular opinions without placing themselves in jeopardy of losing their jobs or any privileges they may have at The London Institute of Banking & Finance.
- (2) Subject to the Charter and the By-Laws, the Board of Governors in addition to having all powers necessary to further the objects of London Institute of Banking and Finance as described in the Charter and to all other powers vested in it shall have the following powers:
 - (a) To govern, manage and regulate the finances, accounts, investments, property, business and all affairs whatsoever of The London Institute of Banking & Finance in the same manner as an individual may manage his own affairs and property and for those purposes to appoint bankers and any other officers or agents whom it deems expedient to appoint.

- (b) To have oversight of and agree the educational and other strategies of The London Institute of Banking & Finance.
- (c) To have ultimate authority for the provision of courses of instruction and to provide facilities for research, study and the advancement and dissemination of knowledge.
- (d) Subject to consultation with the Academic Board, to designate subject areas and departments of The London Institute of Banking & Finance.
- (e) To prescribe by Regulation the requirements of The London Institute of Banking & Finance concerning the discipline of all persons subject thereto.
- (f) To appoint and admit Fellows and Honorary Fellows of The London Institute of Banking & Finance.
- (g) To refer to the Academic Board any matter coming before the Board of Governors which the Board of Governors considers to have academic implications and which has not been previously considered by the Academic Board.
- (h) To call for reports from the Academic Board of The London Institute of Banking & Finance .
- (i) To appoint an Audit Committee, whose Chairman will be a member of the Board of Governors, and approve its Terms of Reference and Membership.
- (j) To select and control the use and custody of the Seal.
- (k) (i) From time to time to make, amend or revoke Regulations: Provided that notice of an intention to propose any amendment to or revocation of the existing Regulations or the making of any new Regulations shall have been given in the notice calling the relevant meeting.
- (ii) The Board of Governors shall have power to delegate to the Academic Board all or any of its powers to make, amend or revoke Regulations relating to academic matters either conditionally or unconditionally as the Board of Governors may think fit.
- (l) To appoint a Remuneration and Nominations Committee, to be chaired by the Chairman of the Board of Governors, and approve its Terms of Reference and Membership.
- (m) To appoint the Chief Executive on recommendation of the Remuneration and Nominations Committee.
- (n) To do all such other acts and things as are necessary for the transaction of the business of The London Institute of Banking & Finance or the furtherance of its objects.
- (o) The Board of Governors may by Regulation prescribe procedures for the hearing of appeals against any decision which it may take under the provisions of the Charter, the By-Laws and the Regulations.

7. THE CHIEF EXECUTIVE

- (1) The Chief Executive shall be the academic and executive head of The London Institute of Banking & Finance and shall be responsible to the Board of Governors for: -

- (a) Promoting the academic and educational policies, activities and standing of The London Institute of Banking & Finance;
 - (b) Managing the financial affairs of The London Institute of Banking & Finance;
 - (c) Making the necessary arrangements for conducting the business of The London Institute of Banking & Finance.
- (2) The Board of Governors shall appoint the Chief Executive on recommendation of the Remuneration and Nominations Committee.
- (3) Subject to the provisions of the Charter and the By-Laws, the Chief Executive may admit as a Student anyone having the requisite qualification in accordance with any Regulations.
- (4) The Chief Executive may subject to any Regulations superintend the education and discipline of all persons admitted to any course or permitted to use any facilities of The London Institute of Banking & Finance.
- (5) The Chief Executive may, subject to any Regulations, suspend or expel or authorise any other person or persons to suspend or expel any Student or any other person from any or all of his studies in The London Institute of Banking & Finance for reasons of academic insufficiency, non-payment of money due to The London Institute of Banking & Finance or breach of discipline or otherwise. The Chief Executive may likewise expel or authorise any other person or persons to expel any person not being a member of the Staff from the whole or any part of the precincts of The London Institute of Banking & Finance or from any or all of the facilities of The London Institute of Banking & Finance. He shall ensure that the necessary action is taken forthwith under disciplinary or other appropriate procedure.

8. THE ACADEMIC BOARD

- (1) The Academic Board shall consist of the Chief Executive and no more than twenty other members appointed by the Chief Executive from the following categories:
- (a) up to twelve academics with relevant qualifications and experience, the majority of whom shall be drawn from The London Institute of Banking & Finance's academic community and who will serve an initial three-year term with the option of serving a second and final three-year term;
 - (b) two representatives of the student body who will serve a minimum one-year term which, in the interests of continuity, they will be encouraged to extend.
 - (c) one elected member of the staff of The London Institute of Banking & Finance responsible for the delivery of the academic programmes, but who does not manage other staff engaged in such delivery; and
 - (d) with the balance comprised of those holding academic leadership positions in respect of The London Institute of Banking & Finance's higher education provision and whose period of service on the Academic Board will be reviewed by the Chief Executive at the end of each completed three-year term.
- (2) **POWERS AND DUTIES OF THE ACADEMIC BOARD**
- (a) The Chief Executive will be the Chairman of the Academic Board.
 - (b) The quorum for a meeting of the Academic Board shall be determined by Regulation.
 - (c) Subject to the provisions of the Charter, the By-Laws and the Regulations and in the discharge of its responsibilities as the academic authority of The London Institute of

Banking & Finance, the Academic Board shall have the following powers in respect of the higher education academic awards of The London Institute of Banking & Finance:

- (i) To guide the Board of Governors on educational strategy; legislation relating to educational provision; regulatory requirements affecting the award of degrees and the implications of the development of further or revised academic provision.
- (ii) To approve all courses and programmes of study leading to academic awards of The London Institute of Banking & Finance and all significant amendments or discontinuances thereof.
- (iii) To regulate all instruction, teaching and research within The London Institute of Banking & Finance.
- (iv) To prescribe the criteria, procedures and guidelines for the assurance of the quality and standards of all courses and programmes of study and research of The London Institute of Banking & Finance.
- (v) To prescribe the requirements of The London Institute of Banking & Finance concerning all matters of academic sufficiency under which persons shall be permitted to pursue their studies in The London Institute of Banking & Finance.
- (vi) To prescribe the conditions under which persons may be admitted as students to The London Institute of Banking & Finance or to any particular programme of study provided by The London Institute of Banking & Finance.
- (vii) To prescribe arrangements for the regulation and superintendence of the education and discipline of all persons not being members of the Staff permitted to use any facilities of The London Institute of Banking & Finance or pursue their studies in The London Institute of Banking & Finance.
- (viii) To regulate the appointment, removal or suspension of The London Institute of Banking & Finance examiners and tutors.
- (ix) To prescribe conditions and arrangements for all assessments within all The London Institute of Banking & Finance courses and programmes of study and for all examinations held by The London Institute of Banking & Finance.
- (x) To prescribe conditions for the granting or conferment of all academic The London Institute of Banking & Finance awards and other academic distinctions to persons having satisfied the relevant conditions.
- (xi) To prescribe the conditions governing the revocation of The London Institute of Banking & Finance awards and under which persons may be deprived of other academic distinctions conferred by The London Institute of Banking & Finance.
- (xii) To approve and monitor the operation of the academic appeal procedures governing Students registered on courses and programmes of study of The London Institute of Banking & Finance.
- (xiii) To establish grievance and appeal procedures to apply to all Students.
- (xiv) To hear appeals from Students following the conclusion of the consideration of grievance procedures including appeal from the initial ruling on a matter under the procedures laid down by the Academic Board.
- (xv) To undertake the general oversight and enhancement of The London Institute of Banking & Finance academic delivery.

- (xvi) To prescribe, subject to any direction of the Board of Governors, terms and conditions for awards of any Exhibitions, Scholarships, Studentships, Bursaries, Prizes and other like academic honours.
- (xvii) To prescribe, on the recommendation of either the Academic Standards and Quality Committee or the Learning and Teaching Committee, or any other committees formally approved by the Board of Governors, conditions for the approval, designation and periodic academic quality and performance review of all associated institutions of The London Institute of Banking & Finance providing tuition to Students and to appoint the chairmen of the review boards in such matters.
- (xviii) To prescribe the requirements of The London Institute of Banking & Finance concerning the conduct and discipline of all Students and for their suspension or exclusion from any or all of their studies or research for reasons of inadequate academic performance, non-payment of monies owed, misconduct or other cause.
- (xix) To prescribe arrangements (if any) for the manner of and ceremony for the conferment of degrees and the manner of academic dress of The London Institute of Banking & Finance
- (xx) To submit to the Board of Governors reports and recommendations on all such academic matters as the Academic Board may deem fit or as the Regulations or the Board of Governors may require. The Board of Governors shall inform the Academic Board of the reason(s) for any non-acceptance by the Board of Governors of any recommendation made to it by the Academic Board in accordance with this By-Law.
- (xxi) To appoint an Academic Standards and Quality Committee, a Learning and Teaching Committee, and any other committees deemed necessary, as well as their respective Chairmen, all of which shall have delegated powers to approve, monitor and evaluate the educational and academic provision of The London Institute of Banking & Finance and carry out such other activities authorised by the Academic Board from time to time.
- (xxii) To do all such other acts and things as may be required by the Charter, the By-Laws or the Regulations or as the Board of Governors may authorise.

9. THE AUDITORS

- (i) The Board of Governors shall appoint an Auditor. Every such Auditor shall be a member of a recognised supervisory body (as defined in Part II of the Companies Act 1989) who is eligible for the appointment under the rules of that body. No person shall be appointed Auditor who is or any one of whose partners is a member of the Board of Governors or staff of The London Institute of Banking & Finance.
- (ii) The Auditor shall hold office for such period and shall receive such remuneration as may be determined by the Board of Governors.
- (iii) The Auditor shall have a right of access at such times as may reasonably be agreed to the financial records of The London Institute of Banking & Finance and shall be entitled to require from The London Institute of Banking & Finance such information and explanations as may be necessary for the performance of his/her or their duties.
- (iv) If the office of Auditor shall become vacant by his/her or their death or resignation or any other cause before the expiration of his/her or their period of office the

Board of Governors shall forthwith appoint an Auditor in his/her or their place for the remainder of such period.

- (v) An Auditor may resign by writing addressed to the Board of Governors.
- (vi) The Auditor shall in each financial year make a report to the Board of Governors on all accounts laid before the Board of Governors which shall comply with any relevant published audit standard.

10. HONORARY DEGREES

Subject to there being in force an Order made by the Privy Council in relation to The London Institute of Banking & Finance under section 76 (1) of the Further and Higher Education Act 1992, or an equivalent order of the Privy Council or other relevant authority made under succeeding or amending legislation and subject also to the terms of such order, the Board of Governors may confirm the grant of honorary degrees to those persons meeting the conditions laid down by the Academic Board.

11. FELLOWS, HONORARY FELLOWS AND OTHER HONORARY QUALIFICATIONS

- (1) The Board of Governors may prescribe by Regulation the conditions governing and the arrangements for the conferment of the titles of Fellow and Honorary Fellow of The London Institute of Banking & Finance and Emeritus Professor and any other Honorary qualifications of The London Institute of Banking & Finance.
- (2) The Board of Governors may confer the title of Honorary Fellow of The London Institute of Banking & Finance on any person who has rendered exceptional service to The London Institute of Banking & Finance or attained outstanding distinction in business or commerce, finance, the professions or public life.
- (3) The Board of Governors may confer the title of Fellow of The London Institute of Banking & Finance on any person, other than a member of the Staff, who has made a significant contribution to the work of The London Institute of Banking & Finance.
- (4) The Board of Governors may confer the title of Emeritus Professor on any person who, being retired from full-time employment, has held at some time a full-time professorship at The London Institute of Banking & Finance for not less than ten years.

12. ALUMNI OR STUDENT ASSOCIATION

The London Institute of Banking & Finance shall promote on such terms as it thinks fit an Alumni Association or Student Association.

13. SUBSCRIPTIONS

- (1) Subscriptions to The London Institute of Banking & Finance shall be payable in accordance with rules made by the Board of Governors.
- (2) The Board of Governors may from time to time modify all or any of the subscriptions payable.

14. DISCIPLINARY POWERS

Members are required to observe the Charter, By-Laws, regulations, rules and all codes and published guidance of The London Institute of Banking & Finance. Failure to do so, or conviction by any other competent court or body of an offence considered relevant to membership of The London Institute of Banking & Finance, may result in disciplinary proceedings by The London Institute of Banking & Finance in accordance with regulations made by The London Institute of Banking & Finance. Any such regulations shall provide that a member who is subject to such disciplinary proceedings shall have the right to be heard, to

be represented, and to call and cross-examine witnesses.

15. DELEGATION OF POWERS BY THE BOARD OF GOVERNORS

Subject to any restrictions as may apply to them as charity trustees, the Board of Governors may delegate any of its powers (except the power to elect Fellows under By-Law 10) to any committees consisting of one or more members of the Board of Governors. Any such delegation may be made subject to any conditions the Board of Governors may impose, and either collaterally with or to the exclusion of their own powers, and may be revoked or altered. Subject to any such conditions, the proceedings at a Committee with two or more members shall be governed by the By-Law regulating the proceedings of the Board of Governors so far as they are capable of applying. All acts and proceedings of any such Committee shall be reported to the Board of Governors as soon as possible.

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