



Association  
of Corporate  
Trustees

**CONSTITUTION**

**OF**

**ASSOCIATION**

**OF**

**CORPORATE TRUSTEES**

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## **SECTION 1: TITLE OF CONSTITUTION**

This constitution shall be titled as the constitution of THE REGISTERED TRUSTEES OF THE ASSOCIATION OF CORPORATE TRUSTEES.

## **SECTION 2: SUPREMACY OF THE CONSTITUTION**

1. Subject to the provisions of the Companies and Allied Matter Act 1990 and Investment & Securities Act 1990 the provisions of this constitution shall have binding force on its members
2. All acts and declarations contrary to the provision of this constitution shall be null and void to the extent of their inconsistency.

## **SECTION 3: INTERPRETATIONS**

1. In this constitution, unless averse to the subject or context "The Association" means ASSOCIATION OF CORPORATE TRUSTEES
2. "The Executive Council" means the Executive Council for the time being of Association of Corporate Trustees.
3. "The Trustees" means the person for the time being who or in whose name the assets of the Association shall be vested or held as trustees of the Association.
4. "Member" means any corporate body registered by Securities & Exchange Commission to carry other undertake the business of trusteeship which is registered as a member of the Association
5. "Financial Member" means any member who being a member of the Association, contributes annually, NOT less than the sum fixed as Association dues.

## **SECTION 4: AIMS AND OBJECTIVE**

1. To provide a non-political forum for the promotion of the practice of Trusteeship in Nigeria.
2. To regulate and harmonize the activities of members and enhance the exchange of information for their benefit and for the benefit of the Association.
3. To co-operate with the Securities & Exchange Commission, The Nigeria Stock Exchange, The Central Securities Clearing System Limited and any other institution which share the ideas and the objective of the Association.
4. To identify and associate with reputable local and international bodies or associations with similar objectives, aspirations and goals.
5. To promote, support or express opinions and procure such action as may be deemed necessary on legislative matters or other government policies or actions.
6. For the purpose aforesaid to hold, deal with, manage, direct the management of, buy and sell, exchange, mortgage, charge, lease, dispose of or grant any right or interest, in over or upon any real or personal property and to undertake and carry on any business undertaking or transaction.
7. For the aforesaid purpose to serve as a forum for the discussion and the formulation of strategy to any issue that may affect members and other capital market operators and the capital market.
8. For the aforesaid purposes to remunerate persons, firms or other professionals as the Association shall deem fit in the administration of its secretariat and implementation of its objectives.
9. For the aforesaid purposes, to promote bills in parliament and adopt other measures for the development of the capital market.
10. For the aforesaid purpose to establish a code of conduct for its members.
11. For the aforesaid purpose to print or publish any newspapers, periodicals, books or leaflets that the association may think desirable for the promotion of its objects subject to laws of the Federal Republic of Nigeria.
12. To promote the observance of prudent business practices amongst members, ensure integrity, professionalism and efficiency in the discharge of trusteeship duties.
13. For the aforesaid purposes, to do such other thing or things that may be incidental thereto.

## **SECTION 5: REGISTRATION FEES**

A registration fees to be determined from time to time by the general meeting shall be payable by every member of the Association which shall be a pre-requisite for membership.

## **SECTION 6: ANNUAL DUES**

Annual dues to be determined by the general meeting from time to time shall be payable by every member of the Association.

## **SECTION 7: TRUSTEEE**

There shall be five (5) Trustees of the Association who shall be elected in the manner hereinafter stated.

1. The Trustees for the purpose of Part 'C' of the Act shall be elected by members of the Association at The Annual General meeting.
2. A Trustee may seek election to any elective office of the Executive Council of the Association.
3. A trustee may hold office for five (5) years but shall cease to hold office if he:
  - a) Ceases to practice or engage in Trusteeship business
  - b) Resigns his office as Trustee
  - c) Ceases to be in employment of member of the Association
  - d) Become insane
  - e) Is incapacitated by old age or illness
  - f) Is recommended for removal from office as Trustee by the Executive Council and/or all the other Trustees in writing (for such reasons as stated thereon) for final vote thereon by 2/3 or fifteen members whichever is lower, present at a general meeting convened for that purpose.
4. The Trustees shall together be known as "THE REGISTERED TRUSTEES OF THE ASSOCIATION OF CORPORATE TRUSTEES and the same shall be the name for the purpose incorporation under the applicable laws of the Federal Republic of Nigeria.

## **SECTION 8: REPLACEMENT OF TRUSTEES**

Upon a vacancy occurring in the number of Trustees, a general meeting of the Association shall be summoned by the Executive Council of the Association for the purpose of filling such vacancy.

## **SECTION 9: COMMON SEAL**

The Trustees shall have a Common Seal.

- 1) Such Common Seal will be kept in the custody of the General Secretary who shall produce it when required for use by the Trustees.
- 2) All documents to be executed by the Trustees shall be signed by the President and the General Secretary and sealed with the common seal.

## **SECTION 10: REGISTRATION OF THE TRUSTEES**

- 1) The Trustees shall apply to the Corporate Affairs Commission for Certificate of Incorporation under Part C of the Companies and Allied Matters Act No. 1 of 1990.
- 2) If such Certificate is granted, the Trustees shall have power to accept and hold in trust all property belonging to the Association whether acquired before or after the incorporation and its members without derogating from the powers of the Executive Council of the Association for the time being through its activities.

## **SECTION 11: MEETINGS**

### **(1) ANNUAL GENERAL MEETING**

An Annual General Meeting of the Association shall be held once annually on a date, time and place to be determined by the Executive Council for the following purposes:

- (a) To receive from the Executive Council, a report of the Association's activities and the Audited account for the preceding year.
- (b) To consider any other matter that may be on the agenda for the meeting.
- (c) To decide on any resolution which may be duly submitted on the Association's activities and its financial standing.

(d) To conduct election as and when necessary in the manner hereinafter provided

**(2) GENERAL MEETING**

There shall be general meetings of the Association to be held at least once in a quarter of a calendar year.

**(3)** In the event of the Executive Council's failure to convene any general meeting including the Annual General Meeting and at any time after 21 (twenty-one) days of such failure, not less than 2/3 of or to the nearest higher number of members shall in writing and under their hands convene the meeting that has been due but unconvened by the Executive Council provided, that such members shall not be in arrears of their financial obligations to the Association.

**SECTION 12: NOTICE OF ANNUAL GENERAL MEETING**

(1) An Annual General Meeting shall be called by giving a prior written notice of 21 (twenty-one) days while all other meetings shall require at least a prior notice of forty-eight (48) hours.

(2) Unless otherwise provided in the constitution, no business shall be transacted at any of the meetings, be it Annual General Meeting, General Meeting, Meeting of the Executive Council and Meeting of the Trustees of the Association unless a quorum of members is present at the time when the meeting proceeds to business.

(3) The quorum for the meetings shall be as follows:-

(a) Annual General Meeting  $\frac{2}{3}$  of the total members of the Association or 10 members (whichever is lower).

(b) General Meeting  $\frac{1}{3}$  of the total members of the Association or 8 (whichever is less) members present in person or by proxy.

(c) Meeting of the Executive Council  $\frac{1}{2}$  of the total composition of the Council.

(d) Meeting of the Trustees, 3 of the Trustees.

## **SECTION 13: CEASATION OF MEMBERSHIP**

1. Any member shall automatically cease to be member of the Association and have his/her name struck off the register of members if the member:
  - (a) Resigns in writing to the Executive Council.
  - (b) Ceases to perform and practice Trusteeship business.
  - (c) Goes into liquidation, receivership or has been dissolved.
  - (d) Commits an act of willful disregard for the constitution and/or contravenes the code of conduct of the Association as contained in the Association's rules, ethics and code of conduct; and fails, refuses or neglects to apologise in writing and retract from the act within one week of being requested to do so in writing by the Executive Council and delivered to it as its last known address.
  - (e) Fails, refuses and/or neglects to pay its annual dues owed to the Association for two consecutive years from the date of its becoming due to after a written demand to pay same. However may be re-admitted as a member of the Association after making such payment together with the necessary penalty as may be determined by the Executive Council.
  - (f) If it commits an act of dishonesty or conversion in respect of the Association's money or resources.
  - (g) Without prejudice to section 21, if all other members of the Association so resolve and convey the resolution to the affected member(s).
  - (h) If the member is de-registered or barred from practicing business by the Securities & Exchange Commission.

## **SECTION 14: RATIFICATION, ALTERATION AND AMENDMENTS**

1. This constitution or any part thereof may from time to time be altered, added to, repealed or amended by the Association at a general meeting provided that no resolution to this effect shall be taken unless written notice thereof shall have been given not less than 21 (twenty-one) days before such general meeting and no such resolution shall be deemed to have been passed unless it is carried by a majority of at least  $\frac{2}{3}$  (two-thirds) or twelve members of the Association whichever is lower.
2. Any step to alter, add to, repeal or amend this constitution may be initiated by a written resolution of the Executive Council or a signed memorandum by not less than  $\frac{1}{3}$  of the



members of the Association submitted through the Executive Council provided that such members shall not be in arrears of Annual dues.

## **SECTION 15: THE EXECUTIVE COUNCIL**

The Executive Council of the Association shall comprise the following who shall hold office by election:

1. President
2. Vice President
3. General Secretary
4. Assistant General Secretary
5. Treasurer
6. Financial Secretary

## **SECTION 16: OFFICERS AND THEIR DUTIES**

### **1. PRESIDENT**

The President of the Association shall perform and exercise the following functions:

- a.) Preside at all meetings.
- b.) Use his best endeavours to ensure that the provision of the Association's constitution are upheld at all times.
- c.) Concerning decisions deliberated upon by the Association or matters put to vote, if there shall be a deadlock at any time as depicted by equal votes for and against, the President shall be entitled to a second or casting vote such that the direction of his leaning shall determine the direction in which the Association shall decide or be deemed to have decided on the matter.
- d.) Present an annual address at the Annual General Meeting of the Association.
- e.) Any other duties in furtherance of the interest of the Association.

### **2. VICE PRESIDENT**

He shall be the deputy to the President with powers to perform the functions and exercise the authority of the President whenever the President is absent or not available.

### **3. GENERAL SECRETARY**

- a.) He shall keep the register of members, the common seal of the Association and all documents (e.g. cards, form) etc relating thereto.
- b.) He shall have responsibility for taking minutes of meeting, keeping of the minutes book of the Association, preparation and circulation of notices of meeting and agenda.
- c.) He shall be Secretary to the Executive Council.
- d.) He shall also perform other duties as may be assigned to him by the Association from time to time.

#### **4. ASSISTANT GENERAL SECRETARY**

- a.) He shall have powers to perform the functions and exercise the authority of the General Secretary whenever the General Secretary is absent or not available and in addition render such assistance as may be required by the General Secretary in the discharge of duties.
- b.) He shall also perform publicity and social functions.

#### **5. TREASURER**

- a.) He shall be in charge of the Association's impress account, which shall have such limit as shall be decided by the Executive Council from time to time depending on the Association's cash requirements.
- b.) He shall ensure undelayed collection of cash, cheques and all payment instruments from the Financial Secretary within limits of the prescription of the Association's constitution and shall ensure the recording, banking and safekeeping thereof.

#### **6. FINANCIAL SECRETARY**

- a.) He shall be responsible for keeping proper accounting records of the Association's finances.
- b.) He shall collect all monies on behalf of the Association and issue official receipts.
- c.) He shall liaise effectively with the treasurer to whom he (the financial secretary) shall with documentary proofs ensure delivery of monies collected on behalf of the Association not later than 48 (forty-eight) hours from the date of collection.
- d.) He shall prepare the annual Accounts of the Association.
- e.) He shall report to the general meeting at every sitting, the position of the Association's finance and give necessary advice thereof.

## **SECTION 17: TENURE OF OFFICE**

- a.) A simple term of the Executive Council shall be two calendar years but an office holder may be eligible for re-election into the same position for one further term of two years only.
- b.) Any person appointed to fill a casual vacancy by the General Meeting shall hold office for the unexpired term of the person he is replacing but may submit himself for re-election at the end of the term.
- c.) At the end of the term of office of each member of the Executive Council or upon the sooner determination of a casual vacancy by the General Meeting shall hold office for the unexpired term of the person he is replacing but may submit himself for re-election at the end of the term.
- d.) At the end of the term of office of each member of the Executive Council or upon the sooner determination of the Executive Council thereof through resignation, removal or disqualification from office in the manner herein provided, each member so affected shall within seven days return directly to the office of the General Secretary all property and belongings of the Association in his possession failing which the Association shall be free to recover same by any and all lawful means possible.

## **SECTION 18: ELECTION**

- a.) Election shall be conducted at the Annual General Meeting or at any General Meeting by a three member adhoc Committee who shall be elected by show of hands, but the Committee members shall not vie for any office.
- b.) Election shall be determined by a simple majority of all votes cast while such elections shall be by secret ballot.
- c.) Any person interested in contesting for any office shall send his nomination form duly seconded by another member to the General Secretary not later than 48 hours before election.
- d.) A member shall not hold more than one office in the Executive Council.

## **SECTION 19: ELIGIBILITY FOR ELECTION**

- a.) The candidate shall be physically present at the meeting in which election is to be conducted failing which such candidate shall be disqualified.
- b.) The candidate shall be nominated by his organization.
- c.) The candidate shall satisfy minimum number of attendance which shall not be less than 75% attendance including the day of election.
- d.) The candidate's organization shall satisfy a minimum of attendance which shall not be less than 50% of attendance including the day of election.

## **SECTION 20: ASSOCIATION'S POSTAL ADDRESS**

Unless and until the Association sets up its own permanent office and postal address, it shall use as postal address the office address of the General Secretary.

## **SECTION 21: ANNUAL ACCOUNTS AND AUDIT THEREOF**

- a.) The Trustees shall with the approval of the general meeting appoint an external auditor or a firm of auditors to audit the accounts of the Association 31st December of each year.
- b.) The Audited Accounts approved by the General Meeting shall be filed with the Corporate Affairs Commission.
- c.) The Auditor or firm of auditors appointed pursuant to (a) above shall not be a relation or associate of any Trustees of the Association or any member of the Executive Council as the case may be.
- d.) The remuneration of the auditor shall be fixed by the Executive Council subject to the approval of the General Meeting.

## **SECTION 22: GENERAL DISCIPLINARY MATTERS**

- 1.) Any erring member of the Association shall be made to appear before an adhoc disciplinary committee to be constituted by the Executive Council.
- 2.) Composition of the Disciplinary Committee shall not be more than five but not less than three members.

- 3.) Recommendation of the committee shall be passed to the Executive Council for their consideration and subsequent report to the General Meeting for final decision which shall be binding and final.

## **SECTION 23: SIGNATORIES OF ASSOCIATION'S BANK ACCOUNT**

- 1) The signatories to that Association's Bank Accounts to be maintained with any bank or repute shall be:
  - a.) The President
  - b.) The Vice President
  - c.) The General Secretary
  - d.) The Treasurer
- 2) The President or Vice President in the absence of the President, and any of the aforementioned members signing jointly shall suffice to sign cheques for the purpose of making withdrawals from the Bank Accounts.
- 3) The President or Vice President in the absence of the President shall authorize all payments and sign supporting vouchers.

## **SECTION 24: FINANCIAL PROVISIONS**

- 1.) The main sources of funds of the Association shall be the following:
  - a.) Registration fees
  - b.) Annual dues
  - c.) Voluntary Contributions
  - d.) Special levies
  - e.) Donation/Gifts
- 2.) The Registered Trustees and the Executive Council shall on behalf of the Association have power to ask for and accept gifts, grants, donations and other form of contribution both in cash and in kind from individuals, corporate bodies, government agencies and non-governmental agencies provided always that such gifts, grants, donations and other forms of contributions shall be applied for the furtherance of the aims and objectives of the Association.
- 3.) The income and property of the Association howsoever derived shall be applied solely towards the promotion of the objects of the Association and no portion thereof shall be paid

or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the members of the Association.

- 4.) Provided that nothing herein shall prevent the payment in good faith of reasonable and proper remuneration to any officer or servant of the Association in return for any service actually rendered to the Association but so that no more of the Executive Council or the Registered Trustee shall be appointed to any salaried office of the Association or any office of the Association paid by fees and that no remuneration or other benefit in money or money's worth shall be given by the Association to any member of such Council or Trustee except repayment of out-of-pocket expenses or reasonable and proper act for premises demised, or let to the Association or reasonable fee for services rendered.

## **SECTION 25: PROVISIONS FOR WINDING UP**

In the event of winding up or dissolution of the Association, if there remains after the satisfaction of all its debts and liabilities any property whatsoever, the same shall not be paid to or distributed among the members of the Association but shall be given or transferred to some other institution or institutions and having objective similar to the objects of the Association the body or bodies are prohibited from distributing its or their income and property among its or their members to on extent at least as is imposed on the Association under and by virtue of the SPECIAL CLAUSE hereof such institution or institutions to be determined by the members of the Association at or before the time. If effect cannot be given to the aforesaid provision then to some charitable object.

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SECRETARY

DATE.....

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PRESIDENT

DATE.....