

**INFORMATION SYSTEMS AUDIT AND
CONTROL ASSOCIATION
BANGALORE CHAPTER**

**No.531, S 13 Second Floor, Priya Chambers,
Dr. Rajkumar Road, Rajajinagar,
Bangalore – 560010**

**MEMORANDUM OF ASSOCIATION
AND
RULES AND REGULATIONS**



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MEMORANDUM OF ASSOCIATION

Article I - Name

The name of this non-profit society shall be the BANGALORE CHAPTER OF THE INFORMATION SYSTEMS AUDIT AND CONTROL ASSOCIATION (hereinafter referred to as the "Society"): a Chapter affiliated with the Information Systems Audit and Control Association (hereinafter referred to as the "Association"). The Society, apart from its innate affiliation with the international Association, is an independent entity from any other association, enterprise, or entity.

Article II - Registered Office

The registered office of the Society shall be at No.531, S 13 Second Floor, Priya Chambers, Dr. Rajkumar Road, Rajajinagar, Bangalore – 560010.

Article III

A. Purpose

The primary purpose of the Society is to promote the education of individuals for the improvement and development of their capabilities relating to the auditing of and/or management consulting in the field of or direct management of the fields of IT governance, IS audit, security, control and assurance

B. Objectives

The Objectives of the Society are:

1. To promote the education of, and help expand the knowledge and skills of its members in the interrelated fields of IT governance, IS audit, security, control and assurance,
2. To encourage an open exchange of IT governance, IS audit, security, control, and assurance techniques, approaches, and problem solving by its members,
3. To promote adequate communication to keep members abreast of current events in IT governance, IS audit, security, control and assurance that can be of benefit to them and their employers,
4. To communicate to management, auditors, universities, and to IS professionals the importance of establishing controls necessary to ensure proper IT governance and the effective organization and utilization of IT resources,
5. To promote the Association's professional certifications and IT governance,
6. To promote the education of and help to expand knowledge and skill of its members by providing a forum for exchange of ideas, conducting study circles, discussions and organizing training programs, seminars, workshops and other activities aimed at professional development :
7. To disseminate knowledge and information on the current developments and research for the benefit of industrial commercial and social organizations of India, State and Central Governments, Banks, Insurance Companies, Financial Institutions, Public and Private Sector Organization including publication of news.
8. To initiate, co-ordinate and sustain research work, on publish research reports and findings for the benefits of the members and organizations:
9. The profits of the Society are utilized only for the development of the Society and shall not be distributed among members or anybody.

Article IV

The Secretary of the Society is authorized to correspond with the Registrar of Societies, Bangalore

RULES & REGULATIONS

Article I Membership and Dues

Section 1 Classification and Qualifications

Membership in the Association is a requirement for membership in the Society. Therefore to join the Society a person must join the Association with accompanying rights and responsibilities

A. Member – any person interested in the purpose and objectives of the society as stated in Article III of the Memorandum of Association shall be eligible for membership of the Society and the Association co-extensively, subject to rules established by the Association Board. Members shall be entitled to vote and hold office.

B. Senior Member – any member with good standing, who presents proof of retirement status, subject to rules established by the Association Board. Senior members shall also be entitled to vote and hold office of the Society.

C. Student Member - full time student currently enrolled in a degree program of an accredited college or university, subject to rules established by the Association Board. Proof of enrolment shall be submitted annually. Student members shall not be entitled to vote and hold office of Society.

Section 2 Admissions

A. Potential members shall:

1. Meet the requirements of membership as outlined in Article I, Section 1,
2. Complete the Association's and the Society's membership application form electronically or otherwise,
3. Pay required dues to the Society and the Association
4. Follow the code of professional ethics of the Association

B. Membership in the Association shall be conferred upon an individual when the Association and Society have received the applicable dues for that individual.

C. Members shall pay the Society dues as prescribed.

Section 3 Dues

A. Membership dues shall be payable on or before 1st January of each calendar year, at an amount determined by the Association Board, plus the Society dues at an amount determined by the Society Board.

B. A member whose dues are in arrears for more than 60 days shall no longer be deemed a member of the Society in good standing.

C. A member shall forfeit Association membership if dues have not been paid to the Association and the Society as required.

Article II Finance, Accounts and Audit

Section 1 Financial Year:

The financial year of the Society will be from the First day of April of every year to 31st day of March of the following year.

Section 2 Bank Accounts:

The Society may open such number of bank accounts as may be necessary in any bank in the name of Society and any two of the officers not being the immediate past president as authorized by the Society's Board of Directors shall operate the accounts jointly.

Section 3 Auditors:

A Chartered Accountant who shall not be a member of the Society shall audit every year, the accounts of the society prepared as prescribed by the Karnataka Societies Registration Act 1960. The Members shall appoint such auditor at the Annual General Meeting every year.

Section 4 Investment and Utilization of the Funds of the Society:

The funds of the Society shall be invested in the modes specified under the provisions of section 13(1) (d) read with section 11(5) of the Income Tax Act, 1961 as mentioned from time to time. The funds and the income of the Society shall be solely utilized for the achievement of its object and no portion of it shall be utilized for payment to the members by way of profit, dividends, interest etc.

Article III Society's Meetings

Section 1 Annual General body Meeting

An Annual General Body Meeting shall be held once a year for the purpose of election to the Society's Board of Directors, receiving reports of officers and committees, and for any other business that may arise. The report of the Society's Board of Directors of the previous year and the audited accounts shall be discussed and submitted for confirmation. At least 21 days notice shall be given for Annual General Body Meetings.

Section 2 Special General Body Meeting

Special General Body Meetings may be called as per Section 11 (3) of Karnataka Societies Registration Act 1960. At least 21 days notice shall be given for Special General Body Meetings.

Section 3 Quorum

The quorum of a General Body Meeting shall be twenty members present in person. If within 30 minutes of the scheduled commencement of the general body meeting, the quorum is not present, the revised quorum shall be ten members present in person. If after 30 minutes, the members present are less than ten, the general body meeting shall be deemed adjourned and a fresh date shall be set for the same.

Article IV Society's Board of Directors

Section 1 Constitution

The Society's Board of Directors shall consist of 14 Directors.

Section 2 Election to the Board

The Society's Board of Directors shall be elected by ballot at the Annual General Meeting.

Section 3 Election of Officers

The Members as elected to the Board of Directors of the Society shall elect the following Officers: One President, One Vice President, One Secretary and One Treasurer among themselves provided however no person shall hold the same office for more than two years.

Section 4 Term of the Board

The Board of Directors shall hold office from the conclusion of the Annual General Body Meeting where they are elected till the conclusion of the next Annual General Meeting.

Section 5 Duties.

The Society's Board of Directors shall:

- A. Supervise the affairs and conduct the business of the Society subject to the superintendence and control of the General Body.
- B. Make recommendations to the members.
- C. Meet monthly at a time and place determined by the Society Board.
- D. Perform the duties prescribed in these Rules and Regulations as adopted by the Society and the Karnataka Societies Registration Act, 1960.
- E. Discharge any other duty as prescribed by the Association from time to time

Section 6 Powers of the Society's Board of Directors

The Society's Board of Directors shall have the authority to exercise all such powers other than those required to be executed by the Society in a General Body Meeting.

Section 7 Quorum

Five members of the Society's Board shall constitute a quorum.

Section 8 Membership cessation of Director

If a director's membership in the Association ceases for any reason, he / she ceases to be a Society's director automatically.

Section 9 Cessation of Directorship

A director ceases to be a director if he / she absents himself / herself from three consecutive monthly meetings of the Board without prior information to the President, provided that the Board may permit such absence under exceptional circumstances.

Section 10 Casual vacancy

In the event of any casual vacancy in the Board or in the event of the Board's strength falling below the number specified in Section 1 of Article IV for any reason whatsoever, the Board may co-opt a member otherwise eligible to be a

director provided that number of co-opted members shall not be more than three under any circumstances.

Section 11 Insurance

The Society's Board of Directors shall secure whatever insurance coverage is deemed necessary to meet the needs of the Society.

Article V Society's Officers

Section 1 Society's Officers

The Officers of the Society shall be the President, Vice President, Secretary, Treasurer elected in the manner set out in Section 3 of the Article IV above and the Immediate Past President.

Section 2 Term of Society's Officers

A. The Officers, except the immediate Past President, shall be elected annually for the term of the Society's Board of Directors or until their successors are elected and assume office, or until they resign or are removed from office.

B. No member shall hold more than two offices of the Society at a time, and no member shall be eligible to serve more than two terms in the same office.

Section 3 Duties of Officers:

The Society's Officers shall perform the duties as prescribed by these Memorandum of association and Rules and Regulations and as per the Karnataka Society's Registration Act 1960 as adopted by the Society.

A. The President shall:

1. Preside at all meetings of the Society and the Board.
2. Appoint all standing committee Chairpersons and other committee as authorized by the Society Board.
3. Be an ex-office member of all committees except the Nominating Committee.
4. Represent the Society at Regional Presidents Council Meeting(s), International meetings or conferences
5. Perform other duties as pertain to the office of President, or which may be delegated by the Society's Board.
6. Maintain communications with the Association and respond to Association inquiries
7. Be responsible for submission of the Society's annual report to the Association within 30 days after the annual general meeting.
8. Supervise budgetary matters and proper internal control of finances.
9. Discharge any other duty as prescribed by the Association from time to time

B. The Vice President shall:

1. Perform the duties of the President in the event of his/her absence or disability.
2. Chair the Membership committee.
3. Perform other duties as pertain to this office.
4. Discharge any other duty as prescribed by the Association from time to time

C. The Secretary shall:

1. Issue notices to convene Board meetings
2. Take minutes of the meetings of the Board.
3. Maintain accurate lists of the membership and attendance records.

4. Be responsible for the legal affairs, Society reports and communications and correspondence pertaining to the Society.

5. Perform other duties as pertain to this office.

6. Discharge any other duty as prescribed by the Association from time to time

D. The Treasurer shall:

1. Be the custodian of Society funds and accounts.

2. Receive all monies and disburse funds only upon the sanction of the Society Board, or the Society membership.

3. Remit dues to the Association as required.

4. Submit a written report at each regular meeting.

5. Submit books and records for audit when required.

6. File any and all Statutory/Legal Forms as required.

7. Perform other duties as pertain to this office.

8. Discharge any other duty as prescribed by the Association from time to time

E. The immediate Past President of the Society shall:

1. Serve in an advisory capacity.

2. Perform other duties as pertain to this office.

3. Discharge any other duty as prescribed by the Association from time to time

Section 4 Vacancies

A. If a vacancy occurs in any office, except that of immediate Past President, the Board shall fill the vacancy

B. If a vacancy occurs in the office of immediate Past President, the vacancy shall remain until filled by routine succession.

Section 5 Suits by and against the Society

The Society shall sue and be sued in the name of the Society represented either by the President or by the Secretary.

Article VI Nomination Committee

Section 1 Constitution

A. A Nominations Committee consisting of three members shall be named by the Society's Board of directors to conduct the election process to the Society's Board of Directors.

B. One of Nominations Committee member shall be the immediate past president.

C. The other two members shall be nominated by the Society's Board through a notification issued for the purpose.

D. The Immediate past president shall be the ex-officio chairperson of the nominations committee

E. In the event of the Immediate Past President not accepting to be a member or the chairperson of the Nominations committee or due to the non-availability of the Immediate Past President for reasons whatsoever, any other eligible past president of the society may be named the chairperson by the Board.

Section 2 Eligibility for the membership

The following members shall not be eligible for the membership of Nominations Committee -

1. Current members of the Board
2. The Immediate Past President, if he intends to participate in the forthcoming elections to the Board
3. A member who has offered himself as a candidate in the forthcoming elections to the Board
4. A member who has not completed at least two years of membership of the Society / Association &
5. Others who are not eligible to be a member by any provisions of Rules and Regulations of the Society"

Section 3 Tenure

- A. The tenure of Nominations Committee concludes on the conclusion of the Annual General Body Meeting for which it is conducting the election process.
- B. At least one of the Nomination Committee members shall be present to oversee the smooth conduct of election of the Officers and other Directors in the first meeting of the Society's Board after the Annual General Body Meeting for which the said nomination committee had conducted the election process.

Section 4 Board Facilitation

The Society's Board shall make available to the Nominations Committee all facilities to discharge their duties in a proper manner.

Section 5 Nominations

The Nominations Committee shall conduct the due process of elections with due care, call for nominations, classify, scrutinize and finalize the candidates as per prescribed norms and communicate the eligibility to the concerned candidate. The Nominations Committee shall not call for nominations / participation in the election process once the deadline of call for nominations is over or on the floor of the Annual General Body Meeting, even in the event of non receipt of sufficient applications.

Section 6 Declarations by Candidates

The Nominations Committee, as a part of the due process shall obtain, from the candidates, the consent to serve on the board of the Society and a conflict of interest form in the prescribed format of the association.

Section 7 Polling

The Nominations Committee shall conduct in an orderly manner, the polling, tabulation, scrutiny and counting of votes and declaration of results at the Annual General Body Meeting and for such functions, it may utilize services of volunteers from the members present at the Annual General Body Meeting.

Section 8 Fair Functioning

The Nominations Committee shall be an independent committee to oversee the election process and the members of the Nominations Committee, so selected, shall carry out the duties in a fair and unbiased manner. Any one violating this rule, by attempting to influence in favour of / against any candidate, shall be removed from the duty as a Nominations Committee member and shall be tried for Breach of Professional Conduct by an Ethics Committee constituted for the purpose.

Article VII Special Interest Groups

Section 1 Constitution

The Society's Board may constitute a Special Interest Group (SIG) from the members of the Society with a specific or generic objective of professional research and / or development and / or education consisting of such number of members as it may deem fit. Such SIG may have tenure as specified by the Board

Section 2 Chairman

One of the SIG members shall be the nominated as the chair of the SIG.

Section 3 Functioning

The SIG shall meet as many times as required and do such other necessary activities to further its objectives.

Section 4 Reporting

The SIG shall communicate its working to the Board by means of reports as directed by the Board.

Section 5 Communication to members

The achievements of SIG shall be communicated by the Board to the members of the Society through the Society's web site, news letter or through any other means.

Section 6 Board Facilitation

The Board shall make available to the SIG all facilities to discharge their duties in a proper manner.

Article VIII Amendment of Society's Memorandum of association and Rules and Regulations

Section 1 Procedure for amendment

These Memorandum of association and Rules and Regulations may be amended at a Special General Body Meeting by a 3/4 vote provided that the amendment has been submitted in writing at the previous regular meeting, or has been mailed to all the Society's members at least 21 days prior to the meeting at which the proposed amendments are to be considered.

Section 2 Scope of amendments

No amendment to the Society's Memorandum of Association/ Rules & Regulations shall be made which may prove to be repugnant to the Income Tax Act of 1961 as amended from time to time. Further, no such amendment shall be carried out without prior approval of the Commissioner of Income Tax.

Section 3 Prior approval of Association

The Society Board shall approve all proposed amendments to the Memorandum of Association / Rules and Regulations and forward them to the Membership Division of the Association, with changes indicated. Such amendments shall not

be adopted by the Society membership without the prior approval of the Association.

Article IX Dissolution

Section 1 Procedure for Dissolution

To effect dissolution of the Society, these Memorandum of Association and Rules and Regulations must be rescinded by a Three-Fourths ($\frac{3}{4}$) vote of the members at a Special General Meeting convened for this purpose. For this purpose at least minimum twenty one (21) days notice shall be given to each member. In the event of dissolution, the Society shall notify the Executive Director of the Association in writing, indicating the reasons for the dissolution and shall return the charter and any other Society or Association documents to the International Office.

Section 2 Disposal of Assets

In the event of dissolution of the Society, the assets remaining on the date of dissolution shall under no circumstances be distributed among the members or the Board of Directors. The same shall be transferred to another charitable trust/society whose objects are similar to those of this Society and which enjoys recognition u/s 80G of the Income Tax Act 1961 as mentioned from time to time. The recipient society/Trusts may be decided by the Society's members present in the meeting by passing a resolution by a majority of not less than $\frac{3}{4}$ of its members present. In the absence of any such resolutions, the disposal of assets and liabilities may take a course as per the provisions of Karnataka Societies Registration Act, 1960 and Income Tax Act 1961.

Section 3 Prior approval of the Association

The approval of International President and Chief Executive officer of the Association shall be obtained prior to Dissolution.

Article X Applicability of Karnataka Societies Registration Act 1960

Section 1 Applicability of KSR Act

The rules and procedures as contained in Karnataka Societies Registration Act, 1960 (K.S.R Act) as amended from time to time shall be applicable to the Society and shall be the authority for all matters of procedure for the Society if not specifically covered by these Rules and Regulations.

Section 2 Annual filings of List of Directors

As applicable to other societies, the list of the Society's Board of Directors with addresses and occupations along with copy of the audited Balance Sheet shall be forwarded annually to the Registrar of Societies as contemplated in Section 13 of K.S.R Act, 1960.

Section 3 Filing of Annual return with ROS

Annual Returns will be filed with the Registrar of Societies in accordance with section 13 of the K.S.R Act, 1960.

Section 4 Amendments in conformity of KSR Act

Amendment to Rules and Regulations of the Society shall be made in conformity with Section 9 and 10 of K.S.R Act, 1960.

Section 5 Primacy of KSR Act

In the event of any conflict of interpretation between the stipulations of the Association and the provisions of K.S.R. Act, the provisions of K.S.R. Act shall prevail.

Article XI Information required by members

Any member of the Society may be apply to the Secretary for any information as may be required on any matter relating to these Rules and Regulations of the Association.`