



BILL NO. 274

Private Member's Bill

*1st Session, 59th General Assembly
Nova Scotia
54 Elizabeth II, 2005*

An Act Respecting the Society of Management Accountants of Nova Scotia

CHAPTER 35
ACTS OF 2005

**AS ASSENTED TO BY THE LIEUTENANT GOVERNOR
DECEMBER 8, 2005**

The Honourable Peter G. Christie
Bedford

*Halifax, Nova Scotia
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An Act Respecting the Society of Management Accountants of Nova Scotia

Be it enacted by the Governor and Assembly as follows:

- 1** This Act may be cited as the *Certified Management Accountants of Nova Scotia Act*.
- 2** In this Act,
 - (a) “by-laws” means the by-laws of the Society;
 - (b) “candidate member” means any person who is designated as a candidate member under the by-laws;
 - (c) “certified member” means any person who is designated as a certified management accountant and is admitted as a certified member under the by-laws;
 - (d) “chapter” means a chapter of the Society established in accordance with the by-laws;
 - (e) “Council” means the Council of the Society established pursuant to this Act;
 - (f) “former Act” means Chapter 95 of the Acts of 1950, *An Act to Incorporate the Society of Management Accountants of Nova Scotia*;
 - (g) “honourary member” means any person who is appointed as an honourary member of the Society in accordance with the by-laws;
 - (h) “member” means, unless the context otherwise requires, every certified member, candidate member, honourary member and student member of the Society, as well as such other class of members as may be created by the Society in accordance with the by-laws;
 - (i) “Society” means the Society of Management Accountants of Nova Scotia;
 - (j) “student member” means any person who is admitted as a student member of the Society in accordance with the by-laws.
- 3**
 - (1)** The society constituted by the former Act is hereby continued as a body corporate, to be known as the Society of Management Accountants of Nova Scotia, and is composed of its members.
 - (2)** The Society has perpetual succession and a common seal, with power to acquire, hold, lease, mortgage and otherwise dispose of real and personal property, and may sue and be sued.
- 4** The objects of the Society are to
 - (a) provide an organization for accountants particularly interested in the preparation and interpretation of financial statements and reports for use by management in planning and controlling operations, and in making special decisions and formulating major plans and policies, of and for business and governmental organizations;

- (b) promote and increase by all lawful means the knowledge, skill and proficiency of its members in all things relating to management accounting;
- (c) educate, and make provision for the education of, its members and persons desiring to become members, as will enable them to acquire the necessary education and training to continue or qualify in the practice of management accounting;
- (d) regulate the practice of management accounting and govern its members in accordance with this Act and the by-laws;
- (e) establish, maintain and develop standards for the practice of management accounting;
- (f) establish, maintain and develop standards of professional conduct and ethics among its members;
- (g) provide to its members such services and facilities as may be beneficial to its members and the Society; and
- (h) promote and foster a greater awareness of the importance of management accounting.

5 In addition to any other power conferred by this or any other Act, the Society may do such things as it considers appropriate to advance the objects of the Society and, without limiting the generality of the foregoing, the Society may

- (a) purchase, take in, lease, exchange, hire, construct and otherwise acquire and hold, sell, mortgage, hypothecate, lease out or otherwise deal with any real or personal property;
- (b) draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, warrants and other negotiable and transferrable instruments;
- (c) engage such agents and employees as it, from time to time, deems expedient;
- (d) expend the monies of the Society in the advancement of its objects and the interests of management accounting in such manner as it deems expedient;
- (e) establish and maintain such offices and agencies as it deems expedient;
- (f) invest and deal with any monies and funds of the Society that are not immediately required, in such manner as it deems expedient;
- (g) improve, manage, develop, exchange, dispose of, turn to account or otherwise deal with the real or personal property of the Society;
- (h) borrow money for the use of the Society on its credit, and limit or increase the amount to be borrowed;
- (i) enter into co-operative arrangements with other professional bodies and educational institutions in any jurisdiction;
- (j) establish and administer benevolent funds for any member or the family of any deceased member and for such purpose make or receive contributions to such benevolent funds;
- (k) do such things as are incidental or necessary to the exercise of the powers referred to in clauses (a) to (j) or the objects of the Society.

6 (1) The head office of the Society is as designated under the by-laws.

(2) Service of any legal process on the Society may be made upon any officer of the Society at its head office.

7 (1) The classes of members in the Society are

- (a) certified members;
- (b) candidate members;
- (c) honorary members;
- (d) student members, and

such other classes of members as may be established under the by-laws.

(2) The various classes of members have such voting and other privileges as may be determined in accordance with the by-laws.

(3) Membership in the Society is open to anyone meeting the admission requirements established by the Society in accordance with the by-laws.

8 No member of the Society is personally liable for the debts of the Society, but all property of the Society, whether real, personal or mixed, is liable for the payment of debts of the Society.

9 (1) A register containing the names of each member in good standing must be kept by the Society and be open for inspection by the public at all reasonable times during business hours.

(2) Only those members whose names appear in the register are entitled to the privileges of membership in the Society.

10 Any person who is a member of the Society on the coming into force of this Act is continued as a member of the Society, subject to this Act.

11 (1) The affairs and business of the Society are controlled, managed and regulated by a Council consisting of no fewer than eight certified members elected in the manner prescribed by the by-laws and such additional persons who are appointed in the manner prescribed by the by-laws.

(2) The total number of elected and appointed members of Council cannot be more than the number fixed from time to time by the by-laws.

(3) The members of Council have and exercise all rights and privileges as may be provided for in the by-laws.

12 (1) In addition to all other powers and authorities expressly conferred upon it by this Act, the Council may exercise all such powers and do all such acts and things as may be exer-

cised or done by the Society and are not by this Act or under the by-laws expressly directed or required to be done by the Society in general meeting.

(2) The quorum for the transaction of all business and matters before the Council is as specified in the by-laws but must not be less than six members of Council.

13 (1) Members of Council who are subject to election are elected to office for a term of two years or until the end of the second annual general meeting next following their election, at which time their term of office terminates.

(2) The by-laws may impose restrictions on the number of terms an individual may serve on Council and may otherwise require that candidates meet designated qualifications for election to Council.

(3) Notwithstanding subsection (1), the terms of office of members of Council upon the first election of members of Council after the coming into force of this Act are

- (a) two years for the six members who are elected with the greater number of votes; and
- (b) one year for the six members who are elected with the fewer number of votes.

(4) The elections to Council required by subsection (3) must take place at the annual general meeting next following the coming into force of this Act.

(5) Notwithstanding anything contained in this Section, the persons who, at the coming into force of this Act, make up the Council under the former Act constitute the Council until the election of members of Council pursuant to subsection (4).

14 (1) Only certified members of the Society are eligible to vote in an election of the Council, as determined by the by-laws.

(2) A member who is eligible to vote may vote for as many candidates for membership on Council as there are vacancies to be filled at any given election.

(3) The casting of ballots must take place as prescribed in the by-laws.

(4) Vacancies on Council do not impair or otherwise affect the powers of Council as provided for in this Act.

(5) The by-laws may provide for the appointment by Council, or otherwise, of persons to fill vacancies in the membership of Council as may arise from the death, incapacity or resignation of a member of the Council or from any other cause.

15 (1) The officers of the Society consist of a President, First Vice-president, Second Vice-president, Executive Vice-president and Secretary-treasurer and any other officers as may be provided for in the by-laws.

(2) The officers of the Society must be appointed as prescribed in the by-laws.

(3) The officers of the Society constitute an Executive Committee, together with such other members as may be appointed under the by-laws, which committee may exercise all of the powers and perform all of the duties of the Council with respect to any matters that may be delegated to it in accordance with the by-laws.

(4) The Council may appoint such other officers, agents or employees at such salary or other remuneration, and for such term of office, as the Council considers necessary to assist it in carrying out its duties pursuant to this Act and the by-laws.

16 The Council may make by-laws

- (a) respecting the powers, duties and qualifications of the officers of the Society;
- (b) providing for the management of the Society;
- (c) respecting the qualifications, admission and re-admission of persons as members of the Society;
- (d) providing for the division of members into classes and prescribing the rights, privileges, obligations and duties of and other matters pertaining to the different classes of members;
- (e) respecting the suspension and termination of membership for non-payment of fees;
- (f) respecting the recording and publication of decisions in disciplinary matters;
- (g) providing for the establishment by Council of rules and regulations governing the Society and its members;
- (h) establishing chapters of the Society within the Province;
- (i) governing the nomination and election of members to the Council, fixing the quorum required for meetings of the Council and the conduct of such meetings and the voting at all meetings of the Society;
- (j) respecting the removal of members of Council and the replacement of those members;
- (k) respecting the number of certified members who must be elected to the Council and, notwithstanding this Act, changing the characteristics of the members of Council as well as their terms of office;
- (l) respecting the appointment of lay members to Council and the removal and replacement of lay members;
- (m) providing for the appointment of such committees as the Council deems expedient;
- (n) respecting the composition, powers and duties of such committees as may be appointed by the Council and providing for the holding and conduct of meetings of those committees;
- (o) regulating, controlling and prohibiting the use of terms, titles or designations by members or groups or associations of members;
- (p) providing for the implementation of agreements and arrangements entered into by the Society with other professional bodies and organizations;

(q) providing for the regulation and governance of members who conduct a public practice in management accounting and, without limiting the generality of the foregoing, providing for mandatory professional development, practice inspections and disciplinary matters specifically related to members who conduct a public practice;

(r) respecting the indemnification by the Society of members of Council, officers of the Society, members of the Society and such other persons as may be determined;

(s) notwithstanding this Act, providing for the adoption from time to time of an alternative name for the Council;

(t) respecting all such matters and things as in this Act may be provided for in the by-laws;

(u) respecting and governing such other subjects, matters and things as may be incidental to or required to give effect to the objects of the Society and this Act,

but no by-law or amendment thereto comes into force until approved by a majority of the votes received from members in good standing present and voting at an annual general meeting of the Society or at a special general meeting called for that purpose.

17 (1) A general meeting of the Society must be held annually at such time and place in the Province as the Council may determine for the purpose of conducting such business as may be specified in the by-laws, and as may properly be brought before the meeting in accordance with the by-laws.

(2) Other meetings of the Society may be held at such times as may be provided in the by-laws.

(3) An annual report must be distributed at or before the annual meeting for review by the membership, and must include a report by an auditor.

(4) Auditors must be recommended by the Council but are subject to the approval of the membership at the annual meeting.

18 (1) The by-laws of the Society may prescribe a Code of Ethics and Professional Conduct to regulate the conduct of the members of the Society and may prescribe procedures to be followed in the receipt, investigation and adjudication of disciplinary complaints alleging violation by any member of the Code or of the by-laws, rules and regulations of the Society.

(2) The hearing and adjudication of all disciplinary complaints against members must take place before the Council, but the by-laws may allow for the delegation of such authority to a disciplinary committee appointed from members of Council or the Society.

(3) In the discharge of its functions on disciplinary matters, Council and the disciplinary committee, as the case may be, have all the powers, privileges and immunities of a commissioner appointed under the *Public Inquiries Act*.

(4) The by-laws may provide for a method by which disciplinary complaints made against members may be settled and may provide for the enforcement of such settlement.

(5) The by-laws may provide for the suspension of a member and may also provide for the imposition of conditions on a member's practice or employment, pending the investigation and or disposition of a disciplinary complaint.

(6) Members of the Society are subject to any and all disciplinary sanctions as may be prescribed in the by-laws including, without limiting the generality of the foregoing, any one or more of the following:

- (a) counselling;
- (b) cautioning;
- (c) admonishment;
- (d) reprimand;
- (e) suspension for a fixed period or until certain conditions are fulfilled;
- (f) expulsion from the Society;
- (g) imposition of restrictions on membership for a fixed period or until certain stated conditions are fulfilled;
- (h) fine or other penalty, or both;
- (i) an order of restitution by the member to any person;
- (j) an order requiring repayment of the Society's costs and expenses incurred in the investigation and adjudication of the complaint;
- (k) such further and other sanction or remedy as the by-laws may provide.

(7) Monies ordered to be paid by a member as a result of a disciplinary complaint, whether by fine, restitution, reimbursement of the Society's costs or otherwise, constitute a debt owing by the member and may be sued upon in a court of competent jurisdiction.

(8) The hearing and adjudication of a complaint against a member in accordance with the by-laws is final and binding and is not subject to review.

19 (1) No person, other than a person who is authorized by the Society to do so, shall

(a) take, use or display any of the designations "Registered Industrial Accountant", "Certified Management Accountant", "RIA" or "CMA", or any combination thereof, alone or in combination with another word, name, title, initial or description to imply, suggest or hold out that the person is authorized by the Society to do so; or

(b) hold himself or herself out in any way or use any name, title or description implying that the person is a member of the Society.

(2) A person who violates subsection (1) is guilty of an offence and the *Summary Proceedings Act* applies in addition to any penalty otherwise provided for in this Act.

(3) In any prosecution for an offence under this Section, a certificate of the Secretary-treasurer of the Society stating that an individual is not authorized by the Society to do what is referred to in subsection (1) is *prima facie* proof of that fact.

(4) All fines and penalties payable under this Section as a result of a prosecution by or on behalf of the Society belong to the Society.

(5) Where a violation of subsection (1) by a person continues for more than one day, the offender is guilty of a separate offence for each day that the violation continues.

(6) Any information to be laid pursuant to this Section may be laid by any person authorized by the Council.

20 (1) Where any member violates this Act or any by-law made under the authority of this Act, or where any person other than a member violates this Act, such violation and future violation may be restrained by an injunction of the Supreme Court of Nova Scotia at the instance of the Council acting in the name of the Society.

(2) The Council may, by resolution, institute or authorize any person to institute proceedings under this Section.

(3) Nothing in this Act prevents

(a) the carrying on of the practice of a public accountant by a person authorized to carry on such practice by the *Public Accountants Act*;

(b) the carrying on of the practice of a chartered accountant by a person authorized to carry on such practice by the *Chartered Accountants Act*; or

(c) the carrying on of the practice of a certified general accountant, as authorized by law.

21 (1) The by-laws in force from time to time must be available for inspection by any person, free of charge, at the head office of the Society at all reasonable times during business hours.

(2) A certificate purporting to be signed by the Secretary-treasurer of the Society stating that a certain by-law, rule or regulation of the Society was, on a specified day or during a specified period, a duly enacted by-law, rule or regulation of the Society in full force and effect constitutes *prima facie* evidence in any court of that fact without proof that the person who signed it is the Secretary-treasurer or that it is the Secretary-treasurer's signature.

22 All monies received by the Society and all property belonging to the Society of whatsoever kind, and from wheresoever derived, must be applied solely towards the carrying out of the objects of the Society as set forth in this Act, and no portion of those monies may be applied, paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise as profit to the members of the Society, but nothing prevents the payment of remuneration to any officer or servant of the Society or to any member of the Society or other person in return for any service rendered to the Society or prevents the payment of interest on money borrowed for carrying out any of the objects of the Society.

23 (1) No action lies against

(a) a member of a committee established by or under this Act or the by-laws, a member of Council or any person acting on the instructions of any of them; or

(b) any member, officer or employee of the Society,

for anything done or omitted to be done by that person in good faith and in purporting to act under this Act or the by-laws.

(2) No action for defamation may be founded on a communication that consists of or pertains to the conduct of a member if the communication is published or communicated to or by

(a) the Society;

(b) a member of Council, or of a committee established under this Act or the by-laws;

(c) a member, officer or employee of the Society; or

(d) a person acting on the instructions of any person or entity referred to in clauses (a) to (c),

in good faith in the course of any proceeding or in carrying out any responsibility under this Act or the by-laws.

24 The *Regulations Act* does not apply to any by-law, rule or regulation made pursuant to this Act.

25 Nothing in this Act affects the powers and duties, tenure of office or terms of remuneration of any officer of the Society or any committee appointed before this Act comes into force, or anything done or suffered, or any right, title or interest acquired before this Act comes into force, or any legal proceedings or remedy in respect of any such thing, right, title or interest.

26 Until repealed, altered or amended pursuant to this Act, any by-law, rule or regulation made or fees prescribed and in force on the date this Act comes into force, continue in force and have effect as if made under this Act.

27 The former Act is repealed.

28 This Act comes into force on such day as the Governor in Council orders and declares by proclamation.
