

SCHEDULES

SCHEDULE 14

AUDITORS: APPOINTMENT, TENURE, QUALIFICATIONS AND REMUNERATION

Rights of resigning auditors

- 13 (1) This paragraph applies where an auditor's notice of resignation is accompanied by a statement of circumstances which he considers should be brought to the attention of members or creditors of the society or branch.
- (2) He may deposit with the notice a signed requisition calling on the committee of management of the society or branch forthwith duly to convene an extraordinary general meeting of the society or branch for the purpose of receiving and considering such explanation of the circumstances connected with his resignation as he may wish to place before the meeting.
- (3) The society or branch shall, at the request of the auditor (unless the statement is received too late to comply)—
- (a) in any notice of the meeting convened on his requisition or of any general meeting at which his term of office would otherwise have expired or at which it is proposed to fill the vacancy caused by his resignation, state the fact that the statement has been made;
 - (b) include in or with that notice a copy of a statement in writing by him (not exceeding a reasonable length) of the circumstances connected with his resignation; and
 - (c) make copies of the statement available to members at any such meeting.
- (4) If the committee of management does not within 21 days from the date of the deposit of a requisition under this paragraph proceed duly to convene a meeting for a day not more than 28 days after the date on which the notice convening the meeting is given, every member of the committee who failed to take all reasonable steps to secure that a meeting was convened as mentioned above is guilty of an offence and liable—
- (a) on conviction on indictment, to a fine; and
 - (b) on summary conviction, to a fine not exceeding the statutory maximum.
- (5) If notice of the statement mentioned above is not given as required because received too late or because of the default of the society or branch, the auditor may (without prejudice to his right to be heard orally) require that the statement be read out at the meeting in question.
- (6) The steps required by sub-paragraphs (3) and (5) above need not be taken if, on the application of the society or branch or of any other person who claims to be aggrieved, the court is satisfied that the rights conferred by this paragraph are being abused to secure needless publicity for defamatory matter; and the court may order the costs of the society or branch on such an application to be paid in whole or in part by the auditor, notwithstanding that he is not a party to the application.

Status: This is the original version (as it was originally enacted).

- (7) An auditor who has resigned has, notwithstanding his resignation, the rights conferred by section 75 above in relation to any such general meeting of the society or branch as is mentioned in sub-paragraph (3) above; and in such a case, the references in that section to matters concerning the auditors as auditors shall be construed as references to matters concerning him as a former auditor.