

Board of directors

907. (1) Subject to a regulation under section 943 (1)(c) and to section 901 (2), the board of directors of the Supervisory Authority is, on and from the commencement of this section, to consist of—

(a) not more than 8 directors (including the chairperson and the deputy chairperson) appointed by the Minister under subsection (2), and

(b) the person holding the office of chief executive officer who, by virtue of that office, is a director.

(2) Subject to a regulation under section 943 (1)(c), the directors appointed by the Minister shall, on and from the commencement of this section, include—

(a) subject to paragraphs (b) and (c), 2 persons, each of whom is nominated by the prescribed accountancy bodies by a decision taken by a majority of those bodies,

(b) if there is no such decision taken by those bodies as respects the nomination, under paragraph (a), of those 2 persons, 2 persons, each of whom is chosen by the Minister from amongst the persons who had been proposed by any one or more, or all, of those bodies for nomination under that paragraph,

(c) if there is such a decision taken by those bodies as respects the nomination, under paragraph (a), of one, only, of those persons, 2 persons—

(i) one of whom is the person so nominated by those bodies, and

(ii) the other of whom is chosen by the Minister from amongst the persons who had been proposed by any one or more, or all, of those bodies for nomination under that paragraph,

(d) 2 persons nominated by the Minister, one of whom—

(i) is neither an officer or employee of the Minister nor a member, officer or employee of a prescribed accountancy body, and

(ii) is appointed as chairperson by the Minister,

and

(e) for each designated body, one person nominated by that body.

(3) For the purposes of subsection (2)—

(a) a majority decision of the prescribed accountancy bodies is taken where a majority of those bodies

signify in writing that they have nominated the particular person or persons (and the number of prescribed accountancy bodies by reference to which that majority is to be reckoned excludes any of the prescribed accountancy bodies that abstain from taking a decision on the matter), and

(b) without prejudice to the generality of paragraphs (b) and (c) of that subsection, the power of the Minister under that paragraph (b) or (c), as the case may be, is exercisable where the prescribed accountancy bodies are evenly divided as to the decision to be taken concerning the nomination of a person.

(4) Subject to a regulation under section 943 (1)(c), the board shall not include at any one time more than 3 directors appointed under subsection (2) who are members of prescribed accountancy bodies, and of those 3 directors—

(a) two may be nominees of the prescribed accountancy bodies, and

(b) one may be a nominee of a designated body.

(5) If, at any time, more than one designated body proposes to nominate a member of a prescribed accountancy body for appointment to the board, the designated bodies proposing to do so shall decide among themselves which one of them is to nominate such a member.

(6) The directors may select the deputy chairperson from among those directors who are not members of a prescribed accountancy body.

(7) The term of office of a director appointed under subsection (2) shall be specified by the Minister when appointing the director and, subject to section 908 (5), may not be less than 3 or more than 5 years.

(8) The members of the Supervisory Authority may not instruct the directors, at any meeting of those members or by any other means, regarding the carrying out of their duties as directors of the Supervisory Authority.