



Association  
Network

# TRADE ASSOCIATION DISCIPLINARY PROCEDURE

*Professional Guidance: Admin 2*

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## INTRODUCTION

This is an example of a disciplinary procedure, for use by an association to assist in formulating the necessary policy. This is most relevant to trade associations, as opposed to professional institutes.

- 1) Any breach of the Code of Good Practice or Association Rules will be dealt with as effectively, impartially and quickly as possible.
- 2) The investigation of any alleged breach of the Code or breach of the Rules will be conducted by the association investigating panel, or a sub-committee or working party thereof formed by the Panel. They may call for attendance of any Member or director/employee of a Member in order to decide on the effect of the alleged breach.
- 3) When considering the breaches of the Code the investigating panel will be chaired by an independent person and it will have more independent persons than Members in the Code involved in any decision making. However, any Member of the Committee who has a direct business connection to the Member being considered for discipline or sanction, or may have a conflict of interest, may not take part in consideration of the breach.
- 4) Members shall be responsible for any breach of the Code or breach of the Rules on the part of any agent, manager, servant, or any other person directly or indirectly employed by them or acting on their behalf.
- 5) The investigating panel may by resolution discipline as appropriate and apply proportionate sanction to the Member and if the Member commits a material or persistent breach of the Code or of the rules, or if a Member does anything which in the opinion of the Committee brings or is likely to bring the Member into disrepute, or publicly makes statement which are contrary to those set by the association.

The panel will advise the reasons for such action when applying any discipline or sanctions. The panel may call for attendance of any Member or director/employee of a Member to discuss and explain the discipline and sanctions to be applied.

## EXAMPLES OF APPROPRIATE POWERS OF SANCTIONS WOULD BE

- The issue of a formal warning
- A requirement for the Member to take additional measures on a temporary basis as a condition of continued Membership
- A requirement to change, modify or establish an operating practice as a condition of continued Membership



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- A requirement to provide remedies to an identified group of consumers as a condition of continued Membership
- A requirement to implement a remedy as directed by the Arbitrator (or Ombudsman) where a dispute has escalated to Alternative Dispute Resolution
- Expel the Member from Membership

## APPEALS

- A Member may appeal against a decision to terminate the Membership of that Member for breaches of the Code of Good Practice and/or these Rules.
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## NOTICE

The appellant shall serve notice of appeal to the Chief Executive. This must be done within 30 days of the date on which the appellant was sent written notification of the decision against which the appeal is being made.

Any Member of the Board of Directors who has a direct business connection to the appellant or may have a conflict of interest may not take part in the hearing of the appeal.

## NOTIFICATION OF APPEAL HEARING

- The Board of Directors shall hear the appeal at the next Board Meeting provided there are at least 28 days from the receipt by the Chief Executive of the appeal. Otherwise the Chief Executive will agree with the President a suitable date for the Board to hear the appeal and be within 60 days from receipt of the appeal.
- The appellant shall be given at least 21 days' notice of the time, date and venue of the appeal hearing.

## REPRESENTATION AT THE HEARING

- The appellant may be represented at the hearing by a director/member of its staff, and a professional representative if desired.
- The Association shall be represented by the President or other Member of the Board of Directors present at the meeting at which the relevant decision was taken.



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## PREPARATION FOR THE HEARING

Not less than 7 days before the hearing both parties shall:

- Notify the Chief Executive as to who will be representing them at the hearing.
- Advise the Chief Executive of the identity of any witnesses to be called at the hearing.
- Deliver to the Chief Executive any documentary evidence to be presented.

## PROCEEDINGS AT THE HEARING

- The appellant's representative shall present its case and the Association's representative shall respond.
- Witnesses may be examined, cross-examined and re-examined. Documents and other evidence may be presented.
- When the Association's response to the appellant's case has been concluded, the appellant's representative shall give a brief summing up, followed by the Association's representative.
- Any procedural issues shall be determined by the Chairman.
- At the conclusion of the hearing or as soon as possible afterwards, the Board of Directors shall advise its decision, after due consideration. This will be confirmed in writing to the appellant within 7 days of the decision.
- The decision of the Board shall be final and binding.
- The Board of Directors may make a recommendation to the President of the Association as to whether its decision should be publicised.
- A record of the proceedings shall be taken and shall be kept, together with any documentary evidence submitted, for at least one year.