

# RIF

**Restructuring and Insolvency Faculty**  
Hong Kong Institute of CPAs

## **Election of Restructuring and Insolvency Faculty (RIF) Executive Committee Members**

### **INFORMATION SHEET**

#### **Background**

1. The RIF of the Hong Kong Institute of CPAs (“Institute”) was established in April 2008 as the Institute’s first faculty. Faculties aim to develop as centres of excellence in specific fields of expertise. The role of the RIF includes:
  - (i) Promoting best practice in the relevant field, with the aim of helping to raise the industry standards.
  - (ii) Providing facilities, services and support to assist faculty members in carrying out their work in the practice of restructuring and insolvency.
  - (iii) Acting as the professional and public interest voice of the Institute in the field of restructuring and insolvency, and of the restructuring and insolvency sector generally, and maintaining and strengthening the reputation and status of the Institute, the RIF and the restructuring and insolvency profession, in Hong Kong, the Mainland and overseas.
  - (iv) Advising on topics and programmes in restructuring and insolvency that are suitable for continuing education purposes, and supporting the Institute’s more intensive training and qualification programmes in this field, including the specialist qualification and designation in restructuring and insolvency, as appropriate.

#### **Overview of RIF Services and Work**

2. The RIF holds regular professional development seminars/ webinars on current topics of interest to insolvency practitioners, and networking events, including an annual cocktail reception. It publishes an electronic newsletter, “*The IP’s Voice*”, several times per year and issues timely e-circulars to inform RIF members of RIF activities, news, legal and regulatory updates, as well as, other developments in the world of restructuring and insolvency. The RIF undertakes technical and thought leadership work in areas such as insolvency law reform (e.g. corporate rescue), cross-border insolvency and professional ethics in insolvency. It has also been involved in and supported the development of the Institute’s specialist qualification and designation, and other training, in insolvency.

#### **International**

3. HKICPA RIF is an active member association of the International Association of Restructuring, Insolvency & Bankruptcy Professionals (“INSOL”) and one of the largest member associations.

#### **RIF Executive Committee**

4. The RIF Executive Committee (“RIFEC”) has oversight of, and is responsible for, the provision

of services, facilities and support to RIF members. It is accountable to the Institute's Council for the management of the affairs of the RIF and the RIFEC chair presents an annual report on the RIF's work to the Council towards the end of the year. RIFEC's annual work plan is submitted to the Institute's Executive Committee for approval at the beginning of the year. RIFEC is supported by the Advocacy and Practice Development Department of the Institute ("APD").

5. The work and services currently undertaken by RIFEC, with the support of APD include:
  - (i) Developing strategic and operational work plans to implement the objectives of the RIF
  - (ii) Organising seminars/ webinars and networking events, including joint events with other organisations and groups, where appropriate, as well as other activities for RIF members
  - (iii) Producing a regular e-newsletter, as a channel of communication with RIF members on technical matters, news, events and other matters affecting the development of the profession
  - (iv) Liaising with relevant government agencies, including the Financial Services and the Treasury Bureau and the Official Receiver's Office, as well as other regulatory bodies, professional bodies and other relevant persons, on technical matters affecting the restructuring and insolvency sector; and promoting good relations between the RIF and other participants in the sector
  - (v) Making representations on consultation documents, regulatory and legislative proposals, etc., that relate to restructuring and insolvency, or which may impact on restructuring and insolvency professionals, and liaising with other committees or groups within the Institute on matters of cross-sectoral interest
  - (vi) Playing an active role in supporting procedures for the mutual recognition of, and giving of assistance to, insolvency proceedings between the courts of the Mainland and the Hong Kong SAR, including liaising with Department of Justice and relevant Mainland organisations on cross-boundary insolvency matters
  - (vii) Promoting good practice in the restructuring and insolvency sector by issuing, updating and promoting Liquidation and Insolvency Guidance Notes and a statement of Professional Ethics in Liquidation and Insolvency
  - (viii) At the international level, liaising with INSOL. The RIF serves as the membership base of the Institute's membership of INSOL.
6. The RIFEC may set up panels to facilitate its work. Currently, there are four panels:
  - (i) Technical Panel
  - (ii) Member Services Panel
  - (iii) Industry Standards and Best Practice Panel
  - (iv) Mainland Issues Panel

#### Composition of RIFEC

7. RIFEC comprises up to 16 members. The composition is as follows:
  - (i) Up to 75% of the members may be elected from the RIF membership, with at least two-thirds of the elected members being members of the Institute (i.e., 12 and 8

members, respectively).

- (ii) Council may appoint up to two members, who need not be Institute or RIF members.
- (iii) RIFEC may co-opt up to three members from among the RIF membership (depending upon how many members are appointed by Council).

8. The following illustrates the composition of the RIFEC:

RIFEC members	Total
Elected	
➤ HKICPA members	8
➤ Non-HKICPA members	<u>4</u>
	12
Institute appointed	up to 2
Co-opted	up to 3
Maximum	16

- 9. The chairman is appointed by the Institute from among the RIFEC members.
- 10. Up to two deputy chairs may be elected by RIFEC members from amongst themselves. A deputy chair will hold office for two years, or until his/ her term of office as a RIFEC member expires and he/she is not re-elected/ re-appointed, if this is sooner. Where there are two deputy chairs, at least one must be an Institute member.

#### Period of Office

- 11. Election to the RIFEC membership is for a period of two calendar years, commencing on 1 January and ending on 31 December of the following year.
- 12. In accordance with the governance rules of the Institute, limits apply on the maximum period that an ordinary member may serve continuously on the RIFEC. The maximum period of continuous service as an ordinary member of the RIFEC is, generally, six years. A member having completed six years of service is required to retire from the RIFEC, unless he or she is appointed as deputy chair or chair of RIFEC (or is serving out the remainder of an elected term of office). A member may become a deputy chair or chair anytime during this period.
- 13. The maximum aggregate length of service on RIFEC will be nine years, subject to the following specific limitations:
  - (i) As a member – maximum of six years (as qualified by paragraph 12, above)
  - (ii) As the deputy chairman – maximum of three years for lifetime in the RIFEC
  - (iii) As the chairman – maximum of three years for lifetime in the RIFEC
  - (iv) If a member becomes a deputy chairman or chairman before having served as an ordinary member, the overall maximum term will be limited to a total of nine years irrespective of roles performed.

#### Seats for election

- 14. Generally, one half of the RIFEC seats designated for election, to the nearest whole number, will be vacated for election each year. Therefore, assuming an RIFEC composition of 16 members, up to four seats in the Institute Member category and two seats in the Institute

Non-member category will be open for election each year.

#### Procedures for nomination

15. Subject to the governance rules referred to in paragraphs 12 and 13 above, any RIF member is eligible to stand as a candidate for election to the RIFEC in the relevant category (i.e., Institute Member or Non-member categories), provided that he/she is nominated in writing by at least two other RIF members (proposed by one and seconded by another), who need not be in the same category as the nominee.
16. All nominations in writing, on the nomination form provided and signed by the proposer and the seconder, have to reach the designated person on or before 5:30 p.m. on the closing date for nominations.

#### Procedures for election

17. If the number of RIF members nominated as candidates for election to the RIFEC exceeds the number of vacancies for elected members in the relevant category, the election will be determined by ballot in that category. In such case, a ballot paper will be sent to each RIF member not less than 14 days prior to the close of the voting period. Each RIF member is entitled to cast one vote in respect of each vacancy in the category or categories where seats are up for election.
18. Completed ballot papers must be returned by email to the designated officer of the Institute, before 5:30 p.m. on the closing date of the voting period.
19. If the votes cast for any two or more candidates in a particular category are equal, the chairman of RIFEC will have a casting vote to determine which candidate(s) is/are deemed to be elected. If the chairman has a conflict of interest, the deputy chairman will have a casting vote.

#### Disclosure of election results

20. The results of the election will be announced in an e-circular to RIF members.

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