

**Public Practice Regulations all changes 14 June 2024**

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**The Institute of Chartered Accountants**

**In Ireland**

*Incorporated by Royal Charter 14<sup>th</sup> May 1888*

**Operating as**



**PUBLIC PRACTICE REGULATIONS**

Effective Date ~~1 January 2024~~ [INSERT DATE]

## CONTENTS

CHAPTER	PAGE
<b>1. General .....</b>	<b>5</b>
Scope, status and citation.....	5
Commencement and transitional arrangements .....	5
Interpretation .....	6
Definitions.....	6
Responsibility.....	14
Continuing obligations.....	14
Serving of notice .....	15
Disclosure of information .....	15
Provisions of returns and information.....	15
Disciplinary arrangements.....	16
Names and letterheads of firms .....	16
Persons named on letterheads of firms .....	16
Liability.....	16
<b>2. The Regulatory Committees.....</b>	<b>18</b>
Part 1: The Quality Assurance Committee.....	18
General.....	18
Composition and quorum .....	18
Responsibilities and powers.....	18
Part 2: The Quality Assurance Review Committee .....	22
General.....	22
Composition and quorum .....	22
Responsibilities and powers.....	22
Part 3: The Quality Assurance Appeal Committee .....	23
General.....	23
Composition and Quorum.....	23
Responsibilities and powers.....	23
Part 4: Procedures and representation .....	24
Procedures of the Committees .....	24
Representation before the Committees .....	25
Implementation of decisions and orders .....	25
Part 5: <u>Regulations for a transitional period to allow for the amalgamation</u> <u>of the Institute with the CPA.....</u>	
<b>3. Regulatory Action.....</b>	<b>26</b>
Dispensation .....	26
Alterations and waiver.....	26
Restrictions and conditions .....	26
Regulatory penalties.....	27
Withdrawal .....	28
Suspension.....	29
Urgent orders.....	30

Publication .....	30
Review and appeal of decisions.....	31
<b>4. Quality Review.....</b>	<b>32</b>
Quality review process .....	32
General obligations.....	32
Periodic visits .....	33
Visit reports .....	33
Fees.....	33
Regulations for a transitional period to allow for the amalgamation of the Institute with the CPA.....	
<b>5. Practising Certificates .....</b>	<b>35</b>
Requirement to hold a practising certificate.....	35
Practising certificate holders' and applicants' duties.....	37
Eligibility to hold a practising certificate .....	37
Grant or renewal of a practising certificate.....	38
Issue of a practising certificate .....	38
Annual fees and charge .....	39
Surrender of a practising certificate .....	39
<del>6. Insolvency Practising Certificates .....</del>	<del>40</del>
Regulations for a transitional period to allow for the amalgamation of the Requirement to hold an insolvency practising certificate.....	<del>40</del>
Insolvency practising certificate holders' and applicants' duties.....	<del>40</del>
Eligibility to hold an insolvency practising certificate .....	<del>41</del>
Grant or renewal of an insolvency practising certificate.....	<del>41</del>
Issue of an insolvency practising certificate .....	<del>42</del>
Annual fees and charges.....	<del>43</del>
Surrender of an insolvency practising certificate .....	<del>43</del>
Annual compliance review .....	<del>43</del>
Arrangements for incapacity or death .....	<del>43</del>
<del>Institute with the CPA</del>	
<b>76. Professional Indemnity Insurance .....</b>	<b>44</b>
Part 1: Requirement to take out professional indemnity insurance .....	44
General .....	44
Practice restructures .....	45
Professional indemnity insurance evidence.....	45
Cessation of practice .....	45
Part 2: Terms of Cover .....	46
Ability to meet claims.....	46
Qualifying insurance.....	46
Minimum limit of indemnity .....	46
Part 3: Inability to obtain cover .....	47
Reasons for entering the assigned risks pool.....	47
Procedure for entering the assigned risks pool .....	48
Leaving the assigned risks pool .....	48
Part 4: Participating insurers and the Joint Advisory Panel.....	49

Participating insurers .....	49
Joint advisory panel.....	49
<u>Part 5: Regulations for a transitional period to allow for the amalgamation of the Institute with the CPA.....</u>	
<b>87. General Affiliates.....</b>	<b>50</b>
General .....	50
Application for general affiliate status .....	50
Fees.....	51
Liability to disciplinary action .....	51
Cessation of general affiliate status .....	51
<u>Regulatory Action.....</u>	
Changes in circumstances.....	52
<u>Regulations for a transitional period to allow for the amalgamation of the Institute with the CPA</u>	
<b>98. Clients' Money .....</b>	<b>53</b>
Part 1: General.....	53
Part 2: Conduct in relation to clients' money.....	53
Arrangements for incapacity or death .....	53
Clients' money .....	53
Holding clients' money .....	54
Opening a client bank account .....	54
Payment into a client bank account .....	55
Interest.....	55
Withdrawal from a client bank account .....	56
Unidentified and untraced clients .....	57
Part 3: Regulatory compliance.....	57
Compliance principal.....	57
Compliance review.....	57
Records and reconciliation .....	57
Independent accountants' reports.....	58
<u>Part 4: Regulations for a transitional period to allow for the amalgamation of the Institute with the CPA</u>	
<b>109. Anti-money laundering (AML) Supervision .....</b>	<b>59</b>
Anti-money laundering (AML) supervised firms.....	59
<u>Anti money laundering (AML) affiliates .....</u>	<u>60</u>
Money laundering compliance principal .....	60
Anti-money laundering (AML) supervision .....	61
Fees .....	61
Disclosure of information .....	61
Disciplinary arrangements.....	61
<u>Regulations for a transitional period to allow for the amalgamation of the</u>	
<b>11. Anti-money laundering (AML) Affiliates .....</b>	<b>62</b>
Application for AML affiliate status.....	62
Fees .....	63
<u>Institute with the CPA</u>	

Liability to disciplinary action .....	63
Cessation of AML affiliate status .....	63
Changes in circumstances.....	63

## CHAPTER 1 - GENERAL

### SCOPE, STATUS AND CITATION

- 1.1 These *Regulations* have been made by the *Council* in accordance with the provisions of *Principal Bye-Law 37.3*.
- 1.2 These *Regulations* apply to *members, firms, ~~general affiliates and AMLand~~, affiliates* as specified in these *Regulations*.
- 1.3 These *Regulations* are the Public Practice Regulations of the Institute of Chartered Accountants in Ireland.
- 1.4 In deciding whether or not a *member, firm, ~~general affiliate or AML~~ or affiliate* has complied with these *Regulations*, any guidance issued by or on behalf of the *Council* from time to time may be taken into account but in the event of any conflict between these *Regulations* and any guidance, these *Regulations* will prevail.

### COMMENCEMENT AND TRANSITIONAL ARRANGEMENTS

- 1.5 These *Regulations* came into effect on 1 August 2012 and were amended on and with effect from 1 October 2013, 1 April 2014, 5 October 2015, 30 September 2016, 5 October 2018, 1 May 2020, 5 January 2021 ~~and~~, 1 January 2024 and [insert date].
- 1.6 ~~1.5A~~ As a transitional arrangement, ~~Compliance with Regulations 10.87.3, 10.119.8 and 11.19.11 of these Regulations is required from 1 January 2025.~~

~~(a) These Regulations amalgamate the following: the Practising Certificate Regulations;  
(b) the Professional Indemnity Insurance Regulations;  
(c) the General Affiliate Regulations;  
(d) the Clients' Money Regulations;  
(e) the Quality Review Regulations; and  
(f) the Rules of Professional Conduct,  
and, subject to regulation 1.7, supersede and replace those regulations and rules.~~

- 1.7 The liability of a *member, firm, ~~general affiliate or AML~~ or affiliate* to regulatory action for actions taken before these *Regulations* came into force is to be determined in accordance with the relevant *Regulations* in force at the time that the matter now the subject of regulatory action occurred, but any regulatory proceedings shall be conducted in accordance with these *Regulations* (including any subsequent amendments). Any reference to the Quality Review Committee, the Review Committee or the Appeal Committee in any of the *Regulations* listed in *Regulation 1.6* shall be deemed to be, respectively, a reference to the *Committee*, the *Review Committee* or *Appeal Committee* as duly constituted under these *Regulations*.

### INTERPRETATION

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- 1.8 Unless inconsistent with the subject or context, any reference in these *Regulations* to:
- (a) the singular includes the plural and vice versa;
  - (b) any gender includes all genders and non-binary genders; and
  - (c) a provision of law is a reference to that provision as amended, extended or re-enacted from time to time;
  - (d) a provision of law includes all subordinate legislation made from time to time under it; and
  - (e) a particular set of Bye-Laws, Regulations, code is a reference to the Bye-Laws, Regulations, code and any guidance of the Institute of that name (or as renamed) from time to time in force.
  - (f) writing or written includes email and any method of communication agreed by the *executive*.
- 1.9 In these *Regulations* headings are inserted for convenience only and shall not affect the construction of these *Regulations*.
- 1.10 These *Regulations* will be governed by and interpreted according to the laws of *Ireland*, Northern Ireland, England and Wales or Scotland as appropriate. In the case of any dispute as to which law applies the decision of the *Committee* shall be conclusive.

#### DEFINITIONS

- 1.11 In these *Regulations*, unless the subject or context otherwise requires, the following words have the following meanings:

##### Accountancy services

- (a) the preparation of financial records, returns, statements or information;
- (b) the provision of consultancy advice concerning accounting, auditing, insolvency or taxation matters;
- (c) the provision of a service in one of the *reserved areas* (even if the *Institute* is not the body which authorises, registers or licenses the *member* or firm to act in that *reserved area*);
- (d) the representation of a client to or before third parties in matters concerning accounting, auditing, insolvency or taxation;
- (e) audit services and/or
- (f) acting as an *insolvency practitioner*.

##### Affiliate

Has the same meaning as in the *Principal Bye-Laws*.

##### Amalgamation Time

Has the same meaning as in the *Principal Bye-Laws*.

##### ~~Anti-money laundering (AML) affiliate~~

~~An individual who is not a *member* of the *Institute* and has been granted the status of anti-money laundering affiliate under these *Regulations*, or under other *Institute Regulations* where relevant.~~

##### Anti-money laundering (AML) legislation

Anti-money laundering legislation means:

- The Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, as amended, in Ireland; and
- The Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended, in the UK.

**Anti-money laundering (AML) supervised firm**

A *firm* in respect of whom the *Institute* is:

- the competent authority pursuant to the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, as amended, in Ireland; or,
- the supervisory authority, pursuant to The Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended in the UK;

For the avoidance of doubt, this includes any CPA Authorised Firm which becomes an AML Supervised Firm in accordance with Regulation 9.22.

**Anti-Money Laundering Supervision Regulations (TCSPs and bookkeepers, Ireland)**

The Anti-Money Laundering Supervision Regulations (Trust and company service providers (TCSPs) and bookkeepers, Ireland) made by the *Council* in accordance with *Principal Bye-Law 37.3*.

**Appeal Committee**

The Quality Assurance Appeal Committee appointed by the *Board* under these *Regulations*.

**Appeal Panel**

The Appeal Panel appointed by the *Board* under the *Disciplinary Bye-Laws*.

**Approved post membership experience**

Experience obtained by a *member* after admission to the *Institute*, or by a *CPA Member* after admission to the *CPA*, as an employee of an accountant in *public practice* or in commerce or industry, which is relevant to their intended area of *public practice*.

**Assigned risks pool**

The pool from which *firms* which are otherwise unable to obtain professional indemnity insurance may do so for a limited period and to which all *participating insurers* will subscribe.

**Assigned risks pool managers**

The broking firm which advises the *Institute* and manages the *assigned risks pool*.

**Audit affiliate**

~~An individual granted such status under the *Audit Regulations*.~~

**Audit Regulations**

~~The *Audit Regulations* made by the *Council* in accordance with *Principal Bye-Law 37.3*.~~

**Authorised insurer**

An insurer:

- authorised by the Prudential Regulation Authority or the Central Bank of Ireland to carry on general insurance business in the United Kingdom or ~~the Republic of Ireland~~, respectively;
- authorised by a regulatory body equivalent to the Prudential Regulation Authority or the Central Bank of Ireland in an *EEA* member state (other than ~~the Republic of Ireland~~ and, where applicable, the United Kingdom), which is entitled to carry on general insurance business in the *United Kingdom* or ~~the Republic of Ireland~~; or
- in respect only of risks resulting from professional business carried out by *firms* in an *EEA* member state (other than the ~~Republic of Ireland~~ and, where applicable, the United Kingdom).

Kingdom), authorised by a regulatory body equivalent to the Prudential Regulation Authority or Central Bank of Ireland in an *EEA* member state (other than ~~the Republic of~~ Ireland and, where applicable, the United Kingdom) to carry on general insurance business in that *EEA* member state, where such insurer is an affiliate or subsidiary of an authorised insurer in the *United Kingdom* or ~~Republic of~~ Ireland.

**Authority**

A body established under the laws of *Ireland* or any part of the United Kingdom as responsible for regulating, monitoring, inspecting or reviewing the *Institute* in its capacity as a prescribed accountancy body.

**Bank**

Any bank, institution or other entity authorised for the time being to receive deposits from the public.

**Beneficial owner**

Has the meaning given in AML legislation Ireland and UK as appropriate.

**Board**

Means the Professional Standards Board established by the Council (by whatever name it may subsequently be called) to carry out certain functions and to exercise certain powers and discretions relating to professional standards.

**Business day**

Any day other than a Saturday, Sunday or public holiday in *Ireland* or Northern Ireland.

**Bye-Laws**

All of the Bye-Laws of the Institute including the *Principal Bye-Laws* and the *Disciplinary Bye-Laws*.

**Charter**

Has the same meaning as in the *Principal Bye-Laws*.

**Chartered Accountant**

A *member* of one of the *Existing Institutes* or a member of a body of accountants recognised as being of equivalent standing to the *Existing Institutes* in accordance with the provisions of *Principal Bye-Law* 23.

**Client bank account**

An account at a *bank* in the name of the *firm* separate from other accounts of the *firm* which may be either a general account or an account designated by the name of a separate client or by a number or letters allocated to that account and which, in all cases, includes the word 'client' in its title.

**Clients' money**

Money of any currency (whether in the form of cash, cheques, drafts or electronic transfers or otherwise) which a *practising certificate holder* or *firm* holds or receives for or from a client including money held by a *firm* as stakeholder, and which is not immediately due and payable on demand to the *firm* for its own account.

**Code of Ethics**

The Code of Ethics made by the *Council* in accordance with *Principal Bye-Law* 37.3.

**Committee**

The Quality Assurance Committee appointed by the *Board* under these *Regulations*.

#### **Complaints Committee**

The Complaints Committee as appointed by the *Board* under the *Disciplinary Bye-Laws*.

#### **Compliance principal**

A *principal* of a *firm* who, acting on behalf of the *firm* and under the instructions of the *firm*, is responsible for ensuring compliance with one or more of chapters 4, 6, 7, or 8 ~~or 9~~ of these *Regulations*. For the avoidance of doubt this includes any *principal* of a *CPA Authorised Firm* who has been registered as a compliance principal in accordance with the *CPA Rules*.

#### **Continuing Professional Development (CPD)**

The obligation for *members* to acquire and maintain knowledge to assist them in the discharging of their professional obligations as prescribed in the *CPD Regulations*.

#### **Council**

The *Council* of the *Institute*.

#### **CPA**

Has the same meaning as in the *Principal Bye-Laws*.

#### **CPA Affiliated Partner**

Means any person, other than a *Member*, registered as an affiliated partner with the *CPA*, in accordance with the *CPA Rules*, at the *Amalgamation Time*.

#### **CPA Authorised Firm**

Means a firm authorised by the *CPA* in accordance with the provisions of the *CPA Rules* as (i) a firm authorised to practice as a statutory audit firm, (ii) a non-audit firm or (iii) authorised under the *CPA investment business regulations*, at the *Amalgamation Time*.

#### **CPA Clients' Money Rules**

Means the *CPA Bye-Law 4, Clients' Money*.

#### **CPA Member**

Has the same meaning as in the *Principal Bye-Laws*.

#### **CPA Member Firm**

Has the same meaning as in the *Disciplinary Bye-Laws*.

#### **CPA Person**

Has the same meaning as in the *Disciplinary Bye-Laws*.

#### **CPA Practising Certificate**

The certificate issued to a *CPA Member* in accordance with the provisions of the *CPA Rules*, authorising the *CPA Member* to engage in *public practice*.

#### **CPA Practising Certificate Holder**

A *CPA Member* engaged in *public practice* granted a *CPA Practising Certificate*.

#### **CPA Regulatory Committee**

For the purpose of these Regulations means the Registration Committee and Registration and Appeals Committee of the CPA.

**CPA Rules**

Means the constitution, Bye-Laws and other relevant regulations of CPA in force at the Amalgamation Time.

**CPD Regulations**

The Continuing Professional Development Regulations made by the *Council* in accordance with *Principal Bye-Law 37.3*.

**Designated person / Relevant person**

Has the meaning given in AML legislation Ireland (designated person) and UK (relevant person) respectively.

**Designated Professional Body (DPB)**

A body designated by HM Treasury under section 326 of the Financial Services and Markets Act 2000.

**Designated Professional Body Handbooks**

The regulations as set out in the Designated Professional Body Handbooks made by the *Council* in accordance with *Principal Bye-Law 37.3*.

**Director**

Any person occupying the position of statutory director (called by whatever name) in a corporate practice. Director also includes a 'shadow director' which is any person under whose directions or instructions the directors of the corporate practice are used to acting, unless the directions or instructions are given by that person in a professional capacity.

**Disciplinary bodies**

Has the same meaning as in the *Disciplinary Bye-Laws*.

**Disciplinary Bye-Laws**

The *Disciplinary Bye-Laws* of the *Institute*.

**Disciplinary Panel**

Has the same meaning as in the *Disciplinary Bye-Laws*.

**EEA**

European Economic Area.

**Executive**

The staff of the *Institute* who assist in carrying out the functions of the *Institute* set out in these *Regulations*.

**Existing Institutes**

Means any of the following, the *Institute*, The Institute of Chartered Accountants in England & Wales and The Institute of Chartered Accountants of Scotland.

**Firm**

- (a) A member engaged in *public practice* as a sole practitioner; or
- (b) A partnership engaged in *public practice* of which one or more of the *partners* are *members*;  
or

- (c) A limited liability partnership engaged in *public practice* of which one or more of the *partners* are *members*; or
- (d) Any body corporate (other than a limited liability partnership) engaged in *public practice* of which one or more of the directors are *members*; or
- ~~(e) —~~
- (e) A CPA Authorised Firm, which will automatically be designated as a firm in accordance with these Regulations, at the Amalgamation Time.

The term *firm* includes *AML supervised firms*, where appropriate.

**General affiliate**

~~An individual who is not a member of the Institute who is granted such status under these Regulations.~~

**Head of Professional Conduct**

Has the same meaning as in the *Disciplinary Bye-Laws*.

**Independent accountant**

A firm which is a registered auditor (as defined in the Audit Regulations), and which has satisfied itself that it is independent of the firm on which it is reporting.

**Independent accountant’s report**

A report to the *Committee*, in such form as the *Committee* shall from time to time determine, covering such period as the *Committee* may require.

**Insolvency affiliate**

~~An individual granted such status under the Insolvency-Licensing Regulations and Guidance.~~

~~Insolvency practising certificate~~

~~The certificate issued to a member in accordance with the provisions of these Regulations authorising a member to act as an insolvency practitioner.~~

~~Insolvency practising certificate holder~~

~~A member granted an insolvency practising certificate.~~

**Insolvency Licensing Regulations and Guidance**

The Insolvency Licensing Regulations and Guidance made by the *Council* in accordance with *Principal Bye-Law 37.3*.

**Insolvency practitioner**

- (a) A Member who provides insolvency services in Ireland; or
- (a**b**) An individual licenced under the Insolvency Licensing Regulations and Guidance; or
- (b**c**) An individual holding an A member who is licensed to provide insolvency practising certificate issued under these Regulations services in the UK.

**Insolvency services**

(i) In Ireland, means acting in any of the following capacities under relevant Irish legislation:

- (a) members’ voluntary liquidator;
- (b) creditors’ voluntary liquidator;
- (c) provisional liquidator;
- (d) official liquidator;
- (e) receiver;
- (f) court appointed receiver;
- (g) sequestrator;
- (h) agent for debtor in possession;
- (i) examiner;

- (j) administrator;
- (k) advisor to a company attempting to organise a Scheme of Arrangement under the Companies Act 2014; and/or
- (l) trustee in bankruptcy.

(ii) In the UK, Insolvency Act 1986 or the Insolvency (NI) Order 1989 as from time to time amended or re-enacted, or any appropriate parallel or equivalent legislation in any part of the United Kingdom.

#### **Institute**

The Institute of Chartered Accountants in Ireland operating as Chartered Accountants Ireland and where the context so requires or permits, includes any person, committee, or other body appointed or authorised by it (including without limitation the *Council*, any *disciplinary body*, ~~#Regulatory eCommittee~~ or any officer or member of staff of the Institute).

#### ~~Investment business affiliate~~

~~An individual granted such status under the *Investment Business Regulations* or the *Designated Professional Body Handbook*.~~

#### **Investment Business Regulations**

The Investment Business Regulations made by the *Council* in accordance with *Principal Bye-Law* 37.3.

#### **Ireland**

For the purpose of these *Regulations* any reference to Ireland does not include Northern Ireland.

#### **Joint Advisory Panel**

The joint advisory panel appointed under *Regulation* ~~7.316.31~~.

#### **Letterhead**

Any part of a *firm's* notepaper or documents used by the *firm* for communicating with clients or other parties.

#### **Member**

Has the same meaning as in the *Principal Bye-Laws*. ~~A member of the *Institute* unless the context indicates otherwise.~~

#### **Member employed in practice**

Means a *member* of the *Institute* (other than a *member in practice*) who is either employed in *public practice* or engaged in *public practice* under a contract for services, in either case whether or not he or she holds a *practising certificate*. The *Committee* shall be the sole judge of whether or not a *member* is a *member employed in practice* and its decision shall be conclusive.

#### **Member firm**

- (a) A *member* engaged in *public practice* as a sole practitioner; or
- (b) A partnership engaged in *public practice* of which 50 per cent or more of the rights to vote on all, or substantially all, matters of substance at meetings of the partnership are held by *members*; or
- (c) A limited liability partnership engaged in *public practice* of which 50 per cent or more of the rights to vote on all, or substantially all, matters of substance at meetings of the partnership are held by *members*; or
- (d) A body corporate (other than a limited liability partnership) engaged in *public practice* of which:
  - (i) 50 per cent or more of the directors are *members*;

- (ii) 50 per cent or more of the nominal value of the voting shares is held by *members*; and
- (iii) 50 per cent or more of the aggregate in nominal value of the voting and non-voting shares is held by *members*; or
- (e) A firm registered for audit in accordance with the Audit Regulations, authorised for investment business in accordance with the *Investment Business Regulations* or licensed in accordance with the *Designated Professional Body Handbook*; ~~and/or~~
- (f) A firm using the description 'Chartered Accountants' in accordance with the provisions of *Principal Bye-Law 22-3-22*; ~~and/or~~
- (g) A CPA Authorised Firm to which any or all of (a) to (f) applies.

and the *Committee* shall be the sole judge of whether or not a *firm* is a *member firm* and its decision shall be conclusive.

#### **Member in business**

Means a *member* of the *Institute* who is neither a *member in practice* nor a *member employed in practice*, and accordingly includes a *member* working in such areas as commerce, industry, education, the public sector or the not for profit sector and a *member* working for a regulatory body or a professional body and any other *member* (other than a *member in practice* or a *member employed in practice*) who does not hold a *practising certificate*. The *Committee* shall be the sole judge of whether or not a *member* is a *member in business* and its decision shall be conclusive.

#### **Member employed in practice**

~~Means a member of the Institute (other than a member in practice) who is either employed in public practice or engaged in public practice under a contract for services, in either case whether or not he or she holds a practising certificate. The Committee shall be the sole judge of whether or not a member is a member employed in practice and its decision shall be conclusive.~~

#### **Member in practice**

Means a *member* of the *Institute* who is in *public practice* as a *principal*. The *Committee* shall be the sole judge of whether or not a *member* is a *member in practice* and its decision shall be conclusive.

#### **Mixed monies**

Moneys received (whether in the form of cash, cheque, draft, electronic transfer or otherwise) or held by a *firm* which comprises or includes *clients' money* and money due to the *firm*.

#### **Money laundering compliance principal (MLCP)**

A *principal* of an *anti-money laundering supervised firm* who, acting on behalf of or under the instructions of the *anti-money laundering supervised firm*, is responsible for ensuring compliance with these *Regulations* as they pertain to anti-money laundering.

*MLCP* also has the meaning given to it in the *Anti-Money Laundering Supervision Regulations (TCSPs and bookkeepers, Ireland)* in the context of those *Anti-Money Laundering Supervision Regulations (TCSPs and bookkeepers, Ireland)*

#### **Participating insurer**

An *authorised insurer* who has agreed to the terms and conditions described in part 4 of chapter ~~7~~6 of these *Regulations*.

#### **Partner**

Includes both an equity and a salaried partner.

#### **Practising certificate**

The certificate issued to a *member* in accordance with the provisions of these *Regulations*, authorising the *member* to engage in *public practice* in Ireland and the UK (including the Channel Islands and the Isle of Man).

**Practising certificate holder**

A *member* engaged in *public practice* granted a *practising certificate*.

**Principal**

In relation to a *firm* a person who is:

- (a) where the *firm* comprises a sole practitioner, the sole practitioner;
- (b) where the *firm* comprises a partnership, a *partner* in the *firm*;
- (c) where the *firm* comprises a limited liability partnership, a member of the *firm*; or
- (d) where the *firm* comprises a body corporate, a director of the *firm*; a director includes a *shadow director*,

or any person held out to be a principal howsoever called in any of the above.

**Principal Bye-Laws**

The Principal Bye-Laws of the *Institute*.

**Professional Standards Board (the Board)**

~~The board established by the Council (by whatever name it may subsequently be called) to carry out certain functions and to exercise certain powers and discretions relating to professional standards.~~

**Public practice**

Providing or holding out to provide personally and directly *accountancy services* (for which the relevant skills have been acquired by a *member* by reason of his or her training and qualification) to persons other than his or her employer.

**Qualifying insurance**

Insurance which meets the terms set out in part 2 of chapter 7 of these *Regulations*.

**Registered auditor**

~~A registered auditor as defined in the *Audit Regulations*.~~

**Regulated non-member firm**

Has the same meaning as ~~given~~ in the *Institute's* Principal Bye-Laws.

**Regulations**

Regulations means these Public Practice Regulations.

**Regulatory Committee**

~~Means: €~~ The *Quality Assurance Committee*, the *Quality Assurance Review Committee*, the *Quality Assurance Appeal Committee* and the *Insolvency Licensing Committee* appointed by the ~~*Professional Standards Board*~~ and any predecessor or successor to any such committee and *Regulatory Committee* means any of them.

**Regulatory penalty**

An amount imposed with the consent of a *member*, *firm* or ~~*general-affiliate*~~ as a penalty for breaches of these *Regulations* which the *member*, *firm* or ~~*general-affiliate*~~ agrees have been committed.

**Reserved areas**

- (a) Investment business within the Investment Intermediaries Act 1995 (Ireland), the Financial Services and Markets Act 2000 (UK), as from time to time amended or re-enacted, or any appropriate parallel or equivalent legislation in Ireland or any part of the United Kingdom;
- (b) Audit within the Companies Acts 1963-2009, the European Communities (Statutory Audits) (Directive 2006/43/EC) Regulations 2010 of 2014 (Ireland), and the Companies Act 2006 in the United Kingdom (UK), as from time to time amended or re-enacted, or any appropriate parallel or equivalent legislation in Ireland or any part of the United Kingdom;
- (c) Insolvency within the Insolvency Act 1986 or the Insolvency (NI) Order 1989 as from time to time amended or re-enacted, or any appropriate parallel or equivalent legislation in any part of the United Kingdom; and
- (d) Personal Insolvency within the Personal Insolvency Acts 2012, to 2021 (Ireland) as from time to time amended or re-enacted.

#### Review Committee

The Quality Assurance Review Committee appointed by the Board under these Regulations.

#### Trust and company service provider (TCSP)

Has the same meaning as given in AML legislation.

#### RESPONSIBILITY

- 1.12 A member or firm shall not engage in public practice other than in accordance with these Regulations.
- 1.13 It is the responsibility of each member to ensure that he or she complies with these Regulations.
- 1.14 It is the responsibility of each principal to ensure that he or she and his or her firm comply with these Regulations and regulatory action may be taken against any principal (including any principal of the firm who is a member or affiliate) directly in respect of a firm's obligations under these Regulations.
- 1.15 It is the responsibility of each general affiliate and AML affiliate to ensure that he or she complies with these Regulations.
- 1.16 In determining whether a member, firm, general affiliate or AML or affiliate is subject to any of these Regulations the decision of the Committee will be final.
- 1.17 Where as a result of any regulatory or disciplinary proceedings which may arise out of a breach of these Regulations a firm is ordered to pay a fine, monetary penalty or costs all principals of the firm shall be jointly and severally liable for the payment thereof.
- 1.18 Members, firms, general affiliates and AML and affiliates must at all times ensure that they comply with all regulations, bye-laws, standards, rules and codes issued under the Bye-Laws including the regulations governing any reserved area in which a member, firm, general affiliate or an AML affiliate may be operating.

#### CONTINUING OBLIGATIONS

- 1.19 Where a *member, firm, ~~general affiliate or AML~~ or affiliate* no longer holds (whether due to expiry, non-renewal, withdrawal or other reason) a *practising certificate, ~~insolvency practising certificate, general affiliate status, AML~~ affiliate* status or the entitlement to hold *clients' money*, regulatory and/or disciplinary action may still be taken, at any time thereafter, for any failure to comply with these *Regulations* during the time he, she or it did hold same.
- 1.20 A *member, firm, ~~general affiliate or AML~~ or affiliate* may be liable to regulatory and/or disciplinary action for failing to comply at any time with any *regulation* having a continuing effect notwithstanding the fact that he or she or it is no longer engaged in *public practice*.
- 1.21 The *Institute's* right to recover any unpaid fees or other amounts due from a *member, firm, ~~general affiliate or AML~~ or affiliate* under these *Regulations* does not end when a *member, firm, ~~general affiliate or AML~~ or affiliate* no longer holds a *practising certificate, ~~insolvency practising certificate, general affiliate status, AML~~ affiliate* status or the entitlement to hold *clients' money*.
- 1.22 A *member, firm, ~~general affiliate or AML~~ or affiliate* which, for any reason, is no longer required to comply with these *Regulations* will nevertheless continue to be subject to *Regulation 1.28* (insofar as the information or return required relates to any period up to and including the date from which its compliance is no longer required) and to *Regulation ~~7.26.2~~*, where applicable.

#### SERVING OF NOTICE

- 1.23 *Members, firms, ~~general affiliates or AML~~ or affiliates* shall be notified in writing of any order or decision affecting him, her or it made by the *Committee*, the *Review Committee* or the *Appeal Committee* as soon as practicable.
- 1.24 A notice or any other document to be served under these *Regulations* on a *member, firm, ~~general affiliate or AML~~ or affiliate* may be delivered by hand or sent by email and/or post and:
- (a) if handed to the *member, firm, ~~general affiliate or AML~~ or affiliate* or delivered by hand to the latest address notified to the executive, service will take effect immediately;
  - (b) if sent by email to the latest email address notified to the executive, service will take effect immediately; and
  - (c) if sent by post to the latest address notified to the executive, service will take effect two days after posting.
- 1.25 Any notice or other document required under these *Regulations* to be served by a *member, firm, ~~general affiliate or AML~~ or affiliate* may be:
- (a) submitted electronically to [professionalstandards@charteredaccountants.ie](mailto:professionalstandards@charteredaccountants.ie); or
  - (~~a~~b) sent by post to The Professional Standards Department, The Linenhall, 32-38 Linenhall Street, Belfast BT2 8BG; or
  - (~~b~~c) submitted to the *executive* by any other method of communication agreed by the *executive*.

## DISCLOSURE OF INFORMATION

- 1.26 Subject to the *Committee's* power to publish its orders and decisions, all information obtained under these *Regulations* will be treated as confidential but may be disclosed by the *executive* (directly or indirectly) to the *Council* or any person or body undertaking regulatory, disciplinary or law enforcement responsibilities for the purpose of assisting that person or body to undertake those responsibilities or as otherwise required or allowed by law, or with the consent of the *member, firm, ~~general affiliate or AML or~~ affiliate*.
- 1.27 The *Institute* may maintain registers of all current *practising certificate holders, ~~insolvency practising certificate holders, general affiliates, member firms, or AML supervised firms or AML affiliates~~* which may contain such details as the *Council* considers appropriate and which may be made available to the public on the *Institute* website.

## PROVISION OF RETURNS AND INFORMATION

- 1.28 All *members, firms, ~~general affiliates and AML and~~ affiliates* must co-operate with the *Institute* and must provide such returns, statements or information as the *Committee* considers necessary from time to time. These must be provided in the form and at the times set by the *Committee*.

## DISCIPLINARY ARRANGEMENTS

- 1.29 A *member, firm, ~~general affiliate or AML or~~ affiliate* who breaches these *Regulations* renders himself, herself or itself liable to disciplinary action in accordance with *Regulations* 1.30 and 1.31.
- 1.30 The *Committee* will consider breaches of these *Regulations* and determine whether the *member, firm, ~~general affiliate or AML or~~ affiliate* may be liable to disciplinary action. If the *Committee* considers that a *member, firm, ~~general affiliate or AML or~~ affiliate* may be liable to disciplinary action they will refer the matter to the *Head of Professional Conduct*.
- 1.31 Breaches of these *Regulations* may also result in disciplinary action through the complaints process set out in the *Disciplinary Bye-Laws*.

## NAMES AND LETTERHEADS OF FIRMS

- 1.32 A *firm's* name should be consistent with the dignity of the profession in the sense that it should not project an image inconsistent with that of a professional practice bound to high ethical and technical standards.
- 1.33 A *firm's* name should not be misleading.
- 1.34 A *firm's letterhead* must comply with partnership and company law as appropriate and with relevant legislation in relation to the use and/or registration of business names.

## PERSONS NAMED ON LETTERHEADS OF FIRMS

- 1.35 It should be clear from the *letterhead* of a *firm* whether any person named thereon other than persons named only in the name of the *firm*, is a *principal* of the *firm*, a sole practitioner or, in the case of a corporate practice, a director.
- 1.36 In the case of a corporate practice which does not list its directors on the *letterhead*, the *firm* should maintain a list of the directors which distinguishes *Chartered Accountants* from persons not entitled to be so described, and should refer to the existence of the list on its *letterhead*.
- 1.37 No person named on the *letterhead* of a *firm* should be described by a title description or designatory letters to which he or she is not entitled.
- 1.38 A *firm* which uses the description '*Chartered Accountants*' should clearly distinguish on its *letterhead* those persons named who are *Chartered Accountants* from those persons named who are not entitled to be so described by the use of designatory letters or otherwise.
- 1.39 *Members* and *firms* working in the *reserved areas* should comply with any relevant requirements to disclose their regulated status.

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**DESCRIPTION OF FIRMS** 1.40 A *firm* may use the description "Chartered Accountants" only if the *firm* meets the requirements of *Principal Bye-Law 22*.

1.41 A CPA Authorised Firm may, for a period of 24 months from the Amalgamation Time, continue to use the description "Certified Public Accountants" or "CPA" if entitled to do so under the CPA Rules at Amalgamation Time.

1.42 In addition to Regulation 1.39, all firms must clearly display on their letterhead that their supervisory body is the Institute.

#### LIABILITY

- 1.43 The *Institute*, their respective officers, staff, employees, members of *Council*, or any committees, boards or any agent or delegate of any of them, or the employees of any such agent or delegate will not be liable for anything done or not done in carrying out its or their functions under or as contemplated in the *Principal Bye-Laws*, the *Disciplinary Bye-Laws*, these *Regulations* or any other *Regulations* or rules unless the act or omission was in bad faith.

## CHAPTER 2 – THE REGULATORY COMMITTEES

### PART 1: THE QUALITY ASSURANCE COMMITTEE

#### GENERAL

- 2.1 The *Board*, shall appoint a Quality Assurance Committee.
- 2.2 The *Committee* shall act on behalf of the *Institute* in ensuring the application of these *Regulations*.
- 2.3 The *Committee* will provide, at least annually, a report on its activities to the *Board* and the Council.

#### COMPOSITION AND QUORUM

- 2.4 The *Committee* must comprise at least eight people at least two of whom must not be accountants. The *Committee* may act notwithstanding any vacancy in its body. The acts of any member of the *Committee* shall be valid notwithstanding any defect that may afterwards be discovered in his or her appointment or qualification.
- 2.5 The quorum at a meeting of the *Committee* shall be three provided that:
- (a) at least one half of the *Committee* members present must be accountants;
  - (b) at least one of the *Committee* members present must not be an accountant; and
  - (c) the *Committee* must not include any member of *Council*, the *Board*, the *Review Committee*, the *Appeal Committee* or the *disciplinary bodies*.

#### RESPONSIBILITIES AND POWERS

- 2.6 The *Committee* is responsible for and shall have the requisite powers for:
- (a) implementing and ensuring compliance with these *Regulations* on behalf of the *Institute*;
  - (b) doing all such things as are reasonably necessary for, or incidental to, the proper discharge by the *Committee* of its functions; and
  - (c) the following specific activities:

##### Implementation of regulations and supervision

- (i) ensuring the implementation of these *Regulations* and any other regulations, made by the *Council* from time to time, concerned with the proper performance of professional work by those engaged in *public practice*;
- (ii) monitoring of compliance by *members, firms, ~~general affiliates and AML~~ and affiliates* with statutory requirements where the *Institute* has been ascribed supervisory and/or monitoring functions by law ;
- (iii) monitoring of compliance by *members, firms, ~~general affiliates and AML~~ and affiliates* with these *Regulations*;
- (iv) making appropriate enquiries to confirm that a *member, firm, ~~general affiliate or AML~~ or affiliate* is complying with these *Regulations* (this may include written enquiries,

- visiting the *firm*, using a periodic return, third party enquiries or in any other manner the *Committee* considers appropriate);
- (v) enforcing these *Regulations*;

#### Authorisations

- (vi) making appropriate enquiries into the eligibility of a *member* to hold a *practising certificate* or *insolvency-practising certificate* (this may include written enquiries, visiting the *firm*, using a periodic return, third party enquiries or in any other manner the *Committee* considers appropriate);
- (vii) granting and renewing *practising certificates*;
- (viii) refusing to grant or renew *practising certificates*;
- ~~(ix)~~ granting and renewing *insolvency practising certificates*;
- ~~(x)~~ refusing to grant or renew *insolvency practising certificates*;
- ~~(xi)~~(ix) granting and refusing to grant *general affiliate* status;
- ~~(xii)~~ granting and refusing to grant *AML affiliate* status;
- ~~(xiii)~~(x) imposing restrictions and/or conditions on a *practising certificate*, *insolvency practising certificate*, *general affiliate* or *AML or affiliate*;

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#### Regulatory action

- ~~(xiv)~~(xi) reviewing all returns and reports made under these *Regulations* and taking such regulatory action as the *Committee* considers appropriate;
- ~~(xv)~~(xii) investigating failures to make such returns or reports as are required under these *Regulations*;
- ~~(xvi)~~(xiii) imposing restrictions and/or conditions on a *member*, *general affiliate*, *AML affiliate* or *firm* in accordance with these *Regulations*;
- ~~(xvii)~~(xiv) imposing restrictions and/or conditions on *practising certificates*, *insolvency practising certificates*, *general affiliate status*, *AML affiliate status* or the entitlement to hold *clients' money*;
- ~~(xviii)~~(xv) suspending, in accordance with these *Regulations*, *practising certificates*, *insolvency practising certificates*, *general affiliate status*, *anti-money laundering affiliate status* or the entitlement to hold *clients' money*;
- ~~(xix)~~(xvi) withdrawing, in accordance with these *Regulations*, *practising certificates*, *insolvency practising certificates* or the entitlement to hold *clients' money*;
- ~~(xx)~~(xvii) proposing *regulatory penalties*;
- ~~(xxi)~~(xviii) withdrawing *general affiliate* status;
- ~~(xxii)~~ withdrawing *AML affiliate status*;
- ~~(xxiii)~~(xix) granting or refusing to grant waivers, relaxations or exemptions from these *Regulations*;
- ~~(xxiv)~~(xx) imposing urgent orders in accordance with these *Regulations*;

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#### Publication

- ~~(xxv)~~(xxi) publishing its orders, decisions or findings if it considers this to be appropriate and in such manner as it considers appropriate subject to any policy or direction issued by the *Council* from time to time;

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#### Disciplinary action

~~(xxvi)~~(xxii) referring matters to the *Head of Professional Conduct* where it considers disciplinary action is appropriate;

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Professional indemnity insurance

~~(xxvii)~~(xxiii) approving the form and content of the contract for entry into the *assigned risks pool*;

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~~(xxviii)~~(xxiv) ensuring the commissioning of investigations into *firms* applying to be admitted to the *assigned risks pool*; and

~~(xxix)~~(xxv) initiating any action which it in its absolute discretion considers necessary in the interests of a *firm's* clients or of the public following an investigation under *Regulation 7.26* and notifying the *firm* of any action it should take following the investigation.

2.7 In discharging its responsibilities under these *Regulations* the *Committee's* powers include but are not limited to:

- (a) requiring the co-operation of any *member, firm, general affiliate or AML or affiliate* and the production of any document or information it in its absolute discretion considers necessary for the proper performance of its responsibilities;
- (b) requiring a *member, firm, general affiliate or AML or affiliate* to provide access to any of its places of business and any other information about the *member, firm, general affiliate or AML or affiliate* it requires; this information may include books papers and records about the *member, firm, general affiliate, AML-affiliate* or clients;
- (c) authorising any sub-committee, the *executive* or other duly appointed agent to enquire into all matters as required by the *Committee* or its chairperson;
- (d) seeking from whatever source it considers appropriate such additional information as it in its absolute discretion considers necessary to properly fulfil its responsibilities including past and present claims and complaints history of a *member* or *firm* where it has reasonable grounds to question the current competence or integrity of a *practising certificate holder* or applicant;
- (e) ordering a *member, firm, general affiliate or AML or affiliate* to contribute to the costs of a hearing;
- (f) requiring a *member, firm, general affiliate or AML or affiliate* to pay such charges as it decides to make for the investigation and follow up ~~of~~ on any regulatory matter, including in relation to quality review activity or complex applications or renewals;
- (g) taking into account any factors which it reasonably believes to be relevant;
- (h) delegating, at its own discretion, its responsibilities and powers to any sub-committee, member of the *executive* or other duly appointed agent other than the power to:
  - (i) refuse to grant or renew a *practising certificate, insolvency practising certificate, general affiliate status or AML or affiliate* status;
  - (ii) suspend or withdraw a *practising certificate* or *insolvency practising certificate, general affiliate status or AML-affiliate* status.

2.8 The *Council* may ascribe further responsibilities and powers to the *Committee* from time to time by way of regulations issued in accordance with *Principal Bye-Law 37.3* including, for the avoidance of doubt, by regulations governing the *reserved areas*. Any other regulations made in accordance with *Principal Bye-Law 37.3* relating to the *Committee* shall be unaffected by these *Regulations* unless otherwise stated.

- 2.9 The *Committee* has discretion over the nature of the matters taken into account and over the sources of information in exercising its powers under these *Regulations*.

## **PART 2: THE QUALITY ASSURANCE REVIEW COMMITTEE**

### **GENERAL**

- 2.10 The *Board*, shall appoint a Quality Assurance Review Committee.
- 2.11 The *Review Committee* will provide, at least annually, a report on its activities to the *Board* and the *Council*.

### **COMPOSITION AND QUORUM**

- 2.12 The *Review Committee* must comprise at least eight people at least two of whom must not be accountants. The *Review Committee* may act notwithstanding any vacancy in its body. The acts of any member of the *Review Committee* shall be valid notwithstanding any defect that may afterwards be discovered in his or her appointment or qualification. Subject to any guidance or direction issued by the *Council* from time to time, provided the requirements of *regulation* 2.13 are satisfied, the chairperson of the *Review Committee* may appoint a sub-committee of the *Review Committee* to review any decision referred to the *Review Committee* under *regulation* 3.26.
- 2.13 The quorum at a meeting of the *Review Committee* shall be at least three provided that:
- (a) at least one half of the *Review Committee* members present must be accountants;
  - (b) at least one member of the *Review Committee* members present must not be an accountant; and
  - (c) the *Review Committee* must not include any member of *Council*, the *Board*, the *Committee*, the *Appeal Committee* or the *disciplinary bodies*.

### **RESPONSIBILITIES AND POWERS**

- 2.14 The *Review Committee* shall be responsible for and shall have the requisite powers for reviewing decisions or orders of the *Committee* made under *Regulation* 3.6, 3.15, 3.16, 3.17 3.20, 3.22, 3.23, 5.16 (b), 5.16 (c), ~~6.14~~, ~~7.8 (b)~~, ~~6.14 or 7.8 (c)~~, ~~8.8 (b)~~, ~~8.8 (c)~~, ~~11.5 (b)~~ or ~~11.5 (c)~~ if requested to do so by a *member, firm, general affiliate or AML or affiliate* as applicable in accordance with these *Regulations*.
- 2.15 In discharging its functions under these *Regulations* the *Review Committee* shall have the power to do anything the *Committee* is empowered to do under *Regulations* 2.6 and 2.7 and shall have the power to make any order or make any decision the *Committee* can make.
- 2.16 The *Review Committee* may affirm, vary or rescind a decision or order of the *Committee* and may substitute any other order or decision on such terms and conditions, if any, as it, in its absolute discretion, considers appropriate.
- 2.17 The *Review Committee* may at its discretion order a *member, firm, general affiliate or AML or affiliate* to contribute to the costs of a hearing.

- 2.18 The *Council* may ascribe further responsibilities and powers to the *Review Committee* from time to time by way of regulations issued in accordance with the provisions of *Principal Bye-Law 37.3*. Any other regulations made in accordance with the provisions of *Principal Bye-Law 37.3* relating to the *Review Committee* shall be unaffected by these *Regulations* unless otherwise stated.

### **PART 3: THE QUALITY ASSURANCE APPEAL COMMITTEE**

#### **GENERAL**

- 2.19 The *Board* shall appoint a Quality Assurance Appeal Committee.
- 2.20 The *Appeal Committee* will provide, at least annually a report on its activities to the *Board* and *Council*.

#### **COMPOSITION AND QUORUM**

- 2.21 The *Appeal Committee* must comprise at least eight people at least two of whom must not be accountants. The *Appeal Committee* may act notwithstanding any vacancy in its body. The acts of any member of the *Appeal Committee* shall be valid notwithstanding any defect that may afterwards be discovered in his or her appointment or qualification. Subject to any guidance or direction issued by *Council* from time to time, provided the requirements of *Regulation 2.22* are satisfied, the chairperson of the *Appeal Committee* may appoint a sub-committee of the *Appeal Committee* to hear the appeal of any decision referred to the *Appeal Committee* under *Regulation 3.27*.
- 2.22 The quorum at a meeting of the *Appeal Committee* shall be at least three provided that:
- (a) at least one half of the *Appeal Committee* members present must be accountants; and
  - (b) at least one member of the *Appeal Committee* members present must not be an accountant; and
  - (c) the *Appeal Committee* must not include any member of *Council*, the *Board* or the *disciplinary bodies* excluding the *Appeal Panel*.

#### **RESPONSIBILITIES AND POWERS**

- 2.23 The *Appeal Committee* shall be responsible for and shall have the requisite powers for:
- (a) deciding on appeals of decisions or orders of the *Review Committee*, if requested to do so by a *member, firm, ~~general affiliate or AML~~ or affiliate* in accordance with these *Regulations*; and
  - (b) doing all such things as are reasonably necessary for, or incidental to, the proper discharge by the *Appeal Committee* of its functions under (a) above; and
  - (c) publishing its orders, decisions or findings if it considers this to be appropriate and in such manner as it considers appropriate subject to any policy or direction issued by *Council* from time to time.
- 2.24 An appeal may only be made on the following grounds:

- (a) that the *Review Committee* was:
  - (i) wrong in law;
  - (ii) wrongly interpreted any relevant regulation or Bye-Law; or
  - (iii) did not comply with these *Regulations*; or
- (b) that the *Review Committee* made an order which no committee, correctly applying the relevant law, *Bye-Law*, rule, regulation, code or standard to the facts before it and acting reasonably, would have made; or
- (c) that there was evidence that the *Review Committee* had not considered and which:
  - (i) could reasonably lead the *Review Committee* to make a different order; and
  - (ii) could not have been put before the *Review Committee* even if those concerned had done their best to produce it.

2.25 As soon as is practicable after notice of the appeal has been received under *Regulation 2.28* the *Appeal Committee* will consider the appeal and may at its discretion:

- (a) allow the appeal;
- (b) impose a less severe restriction;
- (c) send the matter back to the *Committee*;
- (d) send the matter back to the *Review Committee*; or
- (e) dismiss the appeal, and

order the *member, firm, ~~general affiliate or AML~~ or affiliate* to contribute to the costs of the hearing.

2.26 *Council* may ascribe further responsibilities and powers to the *Appeal Committee* from time to time by way of regulations issued in accordance with the provisions of *Principal Bye-Law 37.3*. Any other regulations made in accordance with *Principal Bye-Law 37.3* relating to the *Appeal Committee* shall be unaffected by these *Regulations* unless otherwise stated.

#### **PART 4: PROCEDURES AND REPRESENTATION**

##### **PROCEDURES OF THE COMMITTEES**

2.27 The *Committee*, the *Review Committee* and the *Appeal Committee* shall, in carrying out their functions under these *Regulations*, decide on their own procedures save where otherwise required by law or any bye-law, rule, regulation, code or standard made in accordance with the provisions of *Principal Bye-Law 37.3* and subject to any guidance or direction issued by the *Council* from time to time.

2.28 A *member, firm, ~~general affiliate or AML~~ or affiliate* seeking a review or appeal of a decision must inform the *executive* in writing within ten *business days* of the order or notice being served.

2.29 If a *member, firm, ~~general affiliate or AML~~ or affiliate* seeks a review or appeal more than ten *business days* from the date of service of the notice or order the chairperson of the *Review Committee* or *Appeal Committee* may at his or her discretion direct that a review hearing or an appeal hearing be scheduled if he or she considers it appropriate in the circumstances to do so.

- 2.30 The *Review Committee* will give a *member, firm, ~~general affiliate or AML~~ or affiliate* the opportunity to make representations at a review hearing.
- 2.31 The *Appeal Committee* will give a *member, firm, ~~general or affiliate~~ or ~~AML affiliate~~* the opportunity to make representations at an appeal hearing.

#### REPRESENTATION BEFORE THE COMMITTEES

- 2.32 Subject to *Regulation 2.34*, only the following may attend a meeting of the *Committee*:
- (a) members of the *Committee*;
  - (b) the secretary of the *Committee*;
  - (c) any member of the *executive* appointed to advise or inform the *Committee* of its responsibilities, duties, powers or procedures including the *Principal Bye-Laws*, the *Disciplinary Bye-Laws* and any other regulation, code, standard or law; and
  - (d) anyone else the *Committee* permits.
- 2.33 At meetings of the *Review Committee* and the *Appeal Committee* the *member, firm, ~~general affiliate or AML~~ or affiliate* and a representative or agent of the *Institute* may attend and be legally represented and/or be represented by another *Chartered Accountant*.
- 2.34 An *Authority* may attend as an observer at any *Committee, Review Committee* or *Appeal Committee* meeting.

#### IMPLEMENTATION OF DECISIONS AND ORDERS

- 2.35 Decisions or orders made under *Regulations 2.25, 3.2, 3.20, 5.16, ~~6.14, 8.8~~ and ~~11.57.7~~* will come into effect as soon as notice is served on the *member, firm, ~~general affiliate or AML~~ or affiliate* unless the relevant committee or these *Regulations* specify otherwise.
- 2.36 Urgent orders under *Regulations 3.22* and *3.23* will come into effect when made.
- 2.37 Subject to *Regulations 2.35* and *2.36*, decisions and orders of the *Committee* will come into effect ten *business days* after notice has been served on the *member, firm, ~~general affiliate or AML~~ or affiliate*, as applicable, or at any time that the *Committee* specifies, except:
- (a) if a *member, firm, ~~general affiliate or AML~~ or affiliate* has applied for a review under *Regulation 3.26* the order will be postponed until an order under *Regulation 2.16* has been put into effect; or
  - (b) if a *member, firm, ~~general affiliate or AML~~ or affiliate* has appealed an order under *Regulation 3.27* the order will be postponed until an *Appeal Committee* order under *Regulation 2.25* has been put into effect.

#### PART 5: Regulations for a transitional period to allow for the amalgamation of the Institute with the CPA

- 2.38 The council of the CPA will nominate two CPA Practising Certificate Holders for the *Committee* and two CPA Practising Certificate Holders for the *Review Committee*. These nominations will be notified, to the Chairman of the Board, in writing and signed by the Chief Executive of the CPA prior to the Amalgamation Time.

2.39 Each CPA Practising Certificate Holder nominated under Regulation 2.38 will automatically become a member of the Committee or the Review Committee (as the case may be) at Amalgamation Time for a term of 5 years which can be renewed for a second term of 5 years subject to a maximum period of 10 years. In computing the maximum 10-year period any prior service on a CPA Regulatory Committee continuously up to the Amalgamation Time will be taken into account, but any time served before a break in such service will be ignored.

2.40 Each CPA Regulatory Committee that stands constituted at the Amalgamation Time is deemed to be reconstituted by the Institute at that time in accordance with CPA Rules.

2.41 The Board and any lawful delegate may do all such acts and things, including appointing, removing and replacing persons appointed to each CPA Regulatory Committee and standing down and re-constituting any such CPA Regulatory Committee, and may constitute and stand down further committees and panels, and may exercise all powers and functions that were vested in the CPA pursuant to the CPA Rules, as are necessary or desirable to facilitate the continuation of regulatory proceedings.

2.42 Unless stated otherwise in these Regulations, the Committee will be responsible for ensuring that CPA Persons comply with these Regulations. In so doing the Committee will have all the responsibilities and powers set out in this Chapter 2 and may take such regulatory action as set out in Chapter 3 of these Regulations.

2.43 The Committee has the power to supervise and enforce:

(a) any decision or order in force at the Amalgamation Time against any CPA Person after the Amalgamation Time; and

(b) any decision or order imposed following a quality review process completed under Regulation 4.18 or Practising Certificate approved under Regulation 5.3.

as if the decision or order was made by any Regulatory Committee.

## CHAPTER 3 – REGULATORY ACTION

### DISPENSATION

- 3.1 A *member, firm, ~~general affiliate or AML or~~ affiliate* which cannot comply with one or more of these *Regulations* must advise the *executive* in writing within ten *business days* of the situation arising. The notification must set out the action the *member, firm, ~~general affiliate or AML or~~ affiliate* proposes to take to remedy the position.
- 3.2 If the *Committee* considers that the steps proposed will remedy the position it may grant a dispensation from the requirements to comply with any of these *Regulations*. The period of the dispensation will depend upon how long the *Committee* considers the *member, firm, ~~general affiliate or AML or~~ affiliate* will need to remedy the non-compliance but should extend no longer than ninety days from the date that the non-compliance first arose.
- 3.3 The *Committee* will only grant a dispensation under these *Regulations* if the *Committee* is satisfied that neither the non-compliance by the *member, firm, ~~general affiliate or AML or~~ affiliate* nor the continued holding by the *member, firm, ~~general affiliate or AML or~~ affiliate* of a *practising certificate, ~~insolvency practising certificate, general affiliate~~ status, ~~AML affiliate~~ status*, the entitlement to hold *clients' money* or any *reserved area* licence, authorisation or registration during the dispensation period is likely to result in any undue risk to clients or the public interest.

### ALTERATIONS AND WAIVER

- 3.4 The *Committee* may alter the requirements of these *Regulations*, with or without additional conditions, in order to adapt them to the particular circumstances of a *member, firm, ~~general affiliate or AML or~~ affiliate* for the particular kind of business carried on and the procedures used, if the *Committee*, in its absolute discretion, considers that:
- (a) complying with the relevant requirements is too burdensome for the *member, firm, ~~general affiliate or AML or~~ affiliate* compared to any benefit which compliance might give to clients or the public; and
  - (b) altering the requirements of the *Regulations* will not result in any undue risk to clients or the public interest.
- 3.5 If the *Committee* is satisfied that a *member* or *firm*:
- (a) is regulated by another professional body to a similar standard as required by the *Institute*; and
  - (b) has submitted such documentation as the *Committee* may require,

it may in its absolute discretion waive, relax or grant an exemption from the requirements of any of these *Regulations*.

### RESTRICTIONS AND CONDITIONS

- 3.6 The *Committee* may impose such restrictions or conditions on:
- (a) a *member's practising certificate ~~or insolvency practising certificate~~*;

- (b) a firm's entitlement to hold clients' money;
- (c) a member or firm in relation to how he, she or it conducts his, her or its practice; and / or
- ~~(d) a general affiliate and/or the firm in which he or she is a principal; and/or~~
- ~~(e)(d) an AML affiliate and/or the AML supervised firm in which he or she is a principal,~~

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if it considers that:

- (i) the member no longer meets one of the eligibility requirements in Regulation 5.10; or 5.11; ~~6.8 or 6.9;~~
- (ii) any of the circumstances listed in Regulations 3.15-3.17 exists and the restrictions and conditions are justified;
- (iii) the member, firm, ~~general affiliate or AML~~ or affiliate is no longer complying with these Regulations;
- (iv) the member, firm, ~~general affiliate or AML~~ or affiliate has not or may not have complied with these Regulations in the past and the restrictions or conditions are justified;
- (v) the member, firm, ~~general affiliate or AML~~ or affiliate may not comply with these Regulations and the restrictions or conditions are justified;
- (vi) the member, firm, ~~general affiliate or AML~~ or affiliate has failed to meet undertakings given to the Committee;
- (vii) the member, firm, ~~general affiliate or AML~~ or affiliate has failed to submit within sixty days of the notified due date such returns or reports as are required under these Regulations; or
- (viii) the absence of such restrictions or conditions could adversely affect a client or the public interest.

The Committee may at any time vary or end an order made under this regulation.

#### REGULATORY PENALTIES

- 3.7 Where the Committee is of the view that a member, firm, ~~general affiliate or AML~~ or affiliate has breached these Regulations the Committee may propose a regulatory penalty to the member, firm, ~~general affiliate or AML~~ or affiliate provided that the member, firm, ~~general affiliate or AML~~ or affiliate agrees that the breaches proposed have been committed.
- 3.8 Where the Committee wishes to propose a regulatory penalty it will (through the executive) advise the member, firm, ~~general affiliate or AML~~ or affiliate concerned in writing of the amount of the regulatory penalty and when it is to be paid.
- 3.9 If the member, firm, ~~general affiliate or AML~~ or affiliate wishes to accept the proposed regulatory penalty he, she or it must notify the executive within ten business days of the date of service of the letter from the executive notifying the member, firm, ~~general affiliate or AML~~ or affiliate of the proposal.
- 3.10 The Committee will take into account any representations made by the member, firm, ~~general affiliate or AML~~ or affiliate about the terms of the regulatory penalty. The Committee may then in its absolute discretion reduce the amount of the regulatory penalty.
- 3.11 If the member, firm, ~~general affiliate or AML~~ or affiliate accepts the regulatory penalty the Committee:

- (a) will, as soon as practicable, make the order; and
- (b) may at its discretion, subject to any guidance or direction issued by *Council* from time to time, publish the order in such manner as it deems appropriate.

3.12 A record of any *regulatory penalty* accepted, and the order made, will be retained by the *Institute* and the *Committee* may, if it wishes, use that information in the future.

3.13 There are no rights of review or appeal against a *regulatory penalty*.

3.14 If a *member, firm, ~~general affiliate or AML~~ or affiliate* does not agree that a breach has been committed, or does not agree to the terms of the *regulatory penalty* proposed or fails to comply with the terms of the *regulatory penalty*, the *Committee* may inform the *Head of Professional Conduct* of the *member, firm, ~~general affiliate or AML~~ or affiliate's* potential liability to disciplinary action.

#### WITHDRAWAL

3.15 The *Committee* may at any time withdraw a *practising certificate ~~or insolvency practising certificate~~* from a *member* if any of the following apply:

- (a) the *Committee* considers that the *member* or *firm* has not complied with these *Regulations* or any other regulations issued by the *Council* in accordance with the provisions of *Principal Bye-Law* 37.3, and in the circumstances the withdrawal is justified;
- (b) the *Committee* considers that the continued holding of a *practising certificate ~~or insolvency practising certificate~~* by the *member* may adversely affect clients or any other person;
- (c) the *Committee* considers that a *member* no longer meets one or more of the eligibility requirements to hold a *practising certificate ~~or insolvency practising certificate~~* set out in *Regulation* 5.10, ~~or 5.11, 6.3 or 6.9;~~
- (d) the *Committee* considers that a *member* or *firm* is no longer complying with the provisions of chapter 7 of these *Regulations*;
- (e) the *Committee* considers that a *member* or *firm* is no longer complying with the provisions of chapter 9 of these *Regulations*;
- (f) the *Committee* considers that a *member* or *AML supervised firm* is no longer complying with the provisions of chapter ~~10~~ of these *Regulations*;
- (g) a *member* or *firm* is more than sixty days late submitting any returns or reports required by the *Committee*;
- (h) a *member* or *firm* has not paid the annual fees due under *Regulation* 4.13, 4.15, ~~or 5.25 or 6.23 or~~ a charge due under *Regulation* 5.27 ~~or 6.25~~ within sixty days (or such other period as the *Committee* may specify) of the service of a notice requesting payment of same;
- (i) the *member* or *firm* has not paid in the time permitted any fines or costs ordered by any *committee* or tribunal under the *Disciplinary Bye-Laws*;
- (j) the *member* or *firm* has not paid in the time permitted any costs ordered by the *Committee*, the *Review Committee* or the *Appeal Committee* under these *Regulations*;
- (k) the *Committee* considers that the *member* or *firm* has not complied with any restrictions or conditions imposed in accordance with *regulation* 3.6; and/or
- (l) the *Committee* considers that the *member* or *firm* has not complied with any order issued by the *Committee* as a result of a quality review visit conducted in accordance with the provisions of chapter 4.

3.16 The *Committee* may at any time withdraw a *firm's* entitlement to hold *clients' money* if:

- (a) the *Committee* considers that the *firm* may no longer be complying with these *Regulations*; and
- (b) the *Committee* considers that the continued holding by the *firm* of the entitlement to hold *clients' money* may adversely affect a client or another party.

3.17 The *Committee* may at any time withdraw ~~general affiliate status or AML affiliate status~~ from an individual if :

- (a) it considers that he or she is no longer a fit and proper person to hold ~~general affiliate status or AML affiliate status~~;
- (b) he or she has failed to comply with any restriction or condition imposed on him or her in accordance with *regulation 3.6*;
- (c) he or she has breached or not complied with any applicable requirement of the *Charter*, the *Principal Bye-Laws*, the *Disciplinary Bye-Laws* or the regulations of the *Institute*;
- ~~(d) (d) the Committee is satisfied that any information provided in support of an application for general affiliate status or AML affiliate status was false or misleading whether or not knowingly so; and/or~~
- (d) he or she becomes subject to a decision by a *disciplinary body* that he or she should no longer be an *affiliate*;
- (e) he or she has failed to pay on time any fines or costs ordered by a *Regulatory Committee*, a *disciplinary body* or where applicable, by the Irish Auditing and Accounting Supervisory Authority (IAASA) or the Financial Reporting Council (FRC); and/or
- (e)(f) he or she has failed to pay ~~the annual~~ any fee required under *Regulation 7.10* within sixty days (or such other period as the *Committee* may specify) of the service of a notice requesting payment of same.

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3.18 This Regulation is unused.

3.19 Where a *member, firm, ~~general affiliate or AML or affiliate~~* seeks to voluntarily surrender a *practising certificate, ~~insolvency practising certificate, general affiliate status, AML affiliate status~~* or the entitlement to hold *clients' money* for the purpose of avoiding the suspension or withdrawal of same, or any other licence, registration or authorisation to operate in a *reserved area*, by the *Committee*, the *Review Committee* or the *Appeal Committee*, the *Committee* will not accept such surrender if it believes the public interest would be better served by suspending or withdrawing such *practising certificate, ~~insolvency practising certificate, general affiliate status, AML affiliate status~~* or the entitlement to hold *clients' money*.

## SUSPENSION

3.20 The *Committee* may suspend:

- (a) a *member's practising certificate*;
- ~~(b) a member's insolvency practising certificate;~~
- ~~(c) a general affiliate's general affiliate status;~~
- ~~(d)~~(b) an *AML affiliate's AML affiliate status*; and / or
- ~~(e)~~(c) a *firm's entitlement to hold clients' money*

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for a period, if it considers that:

- (i) any of the conditions specified in *Regulation 3.15, 3.16 or 3.17* as appropriate, exists or may exist; and/or

- (ii) a member, ~~general~~ affiliate or firm, as applicable, continuing to hold such practising certificate, ~~insolvency practising certificate, general~~ affiliate status or the entitlement to hold clients' money may adversely affect a client or another party.

The Committee may at any time vary or end an order made under this regulation.

3.21 During a period of suspension a member, firm or ~~general~~ affiliate:

- (a) need not resign from any appointment;
- (b) must not accept any new appointments;
- (c) must continue to comply with these Regulations; and
- (d) must comply with any other conditions imposed by the Committee.

#### URGENT ORDERS

3.22 The Committee may:

- (i) impose restrictions or conditions, under Regulation 3.6: on:
  - (a) a member's practising certificate;
  - ~~(b) a member's insolvency practising certificate;~~
  - ~~(c) a general affiliate's general affiliate status;~~
  - ~~(b) (d) an AML affiliate's AML affiliate status;~~

or

- (ii) suspend, under Regulation 3.20:
  - (a) a member's practising certificate;
  - ~~(b) a member's insolvency practising certificate;~~
  - ~~(c) a general affiliate's general affiliate status;~~
  - ~~(d) (b) an AML affiliate's AML affiliate status.~~

without giving advance notice to the member if the Committee considers that a delay might adversely affect a client or another party. An order under this regulation, known as an urgent order, will come into effect when made.

3.23 The Committee may impose restrictions or conditions on a firm under Regulation 3.6 or suspend a firm's entitlement to hold clients' money under Regulation 3.20 of these Regulations without giving advance notice to the firm if the Committee considers that a delay might adversely affect a client or another party. An order under this regulation, known as an urgent order, will come into effect when made.

3.24 The Committee must allow a member, firm, ~~general affiliate or AML or~~ affiliate on whom an order under Regulation 3.22 or 3.23 has been imposed an opportunity to, within ten business days of the serving of the order, make oral or written representations to the Committee after which the Committee may end the order or continue the order.

#### PUBLICATION

3.25 Subject to any policy or direction issued by the Council from time to time, if the Committee, the Review Committee or the Appeal Committee determines that a member, firm, ~~general affiliate or AML or~~ affiliate is or has been in breach of these Regulations or has otherwise been the subject of regulatory action, it may publish that fact in such manner as it considers

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appropriate. Such publication may include, without prejudice to the generality of the foregoing, the name of the *member, firm, ~~general affiliate or AML~~ or affiliate*.

#### REVIEW AND APPEAL OF DECISIONS

3.26 A *member, firm, ~~general affiliate or AML~~ or affiliate* may request a review by the *Review Committee* of a decision of the *Committee* under the *Regulations* specified in *Regulation 2.14*.

3.27 A *member, firm, ~~general affiliate or AML~~ or affiliate* may appeal the decision of the *Review Committee* to the *Appeal Committee* on the grounds specified in *Regulation 2.24*.

## CHAPTER 4 – QUALITY REVIEW

### QUALITY REVIEW PROCESS

- 4.1 Quality review is the means by which the *Institute*:
- (i) assesses the quality of the professional work of *practising certificate holders*, ~~general affiliates~~ and *member firms*;
  - (ii) assesses the compliance with AML legislation by *practising certificate holders*, ~~and AML supervised firms and AML affiliates~~; and,
  - (c) is the means by which the *Institute* upholds and improves the standards of *practising certificate holders*, ~~general affiliates, member firms, and AML supervised firms and AML affiliates~~.
- 4.2 The *Committee* will act on behalf of the *Institute* in the execution of the quality review process to ensure the maintenance of proper professional standards by *practising certificate holders*, ~~general affiliates, member firms, and AML supervised firms and AML affiliates~~.
- 4.3 The quality review process may include, though it is not limited to, the following:
- (a) requiring the submission of detailed returns in a form and at times prescribed by the *Committee*; and
  - (b) periodic review visits.
- 4.4 The quality review process applies to:
- (a) *practising certificate holders* ~~(including insolvency practising certificate holders)~~;
  - (b) *member firms*;
  - (c) ~~general affiliates~~; and
  - (d) ~~AML supervised firms~~; and
  - (e) ~~AML affiliates~~.
- 4.5 Without prejudice to the generality of *Regulations* 3.4 and 3.5, if the *Committee* is satisfied that a *practising certificate holder*, ~~general affiliate~~ or *member firm*:
- (a) is regulated by another professional body to a similar standard as required by the *Institute*; and
  - (b) has submitted such documentation and information as the *Committee* may require,
- it may waive, relax or grant an exemption from the requirements of this chapter.
- 4.6 The *Committee* will be responsible for the execution of the *Institute's* quality review process and will in its absolute discretion determine the selection of *practising certificate holders*, ~~general affiliates, member firms, and AML supervised firms and AML affiliates~~ and the methods to be adopted for the review of the detailed return and the periodic review visit.

### GENERAL OBLIGATIONS

- 4.7 *Practising certificate holders*, ~~general affiliates, member firms and AML supervised firms and AML affiliates~~ are required to comply with all regulations made in accordance with Principal Bye-Law 37.3 which seek to ensure the maintenance of proper professional standards and any other rule, regulation, code, standard, law or bye-law concerned with the proper performance

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of professional work by practising certificate holders, ~~general affiliate, member firms and~~ AML supervised firms ~~and AML affiliates~~.

- 4.8 All returns will be subject to a review process and practising certificate holders, ~~general affiliates, member firms; and~~ AML supervised firms ~~and AML affiliates~~ are required to provide any and all further details requested as a result of the review.
- 4.9 Failure to submit any return required under Regulation 4.3 (a) may lead to the restriction, suspension or withdrawal of a practising certificate, ~~general affiliate status, AML affiliate status~~ or the entitlement to hold clients' money granted by the Committee to a practising certificate holder, ~~general affiliate, AML affiliate~~ or member firm.
- 4.10 All member firms are required to appoint a compliance principal who will ensure that the member firm complies with the Regulations set out in this chapter.
- 4.10A All AML supervised firms are required to appoint a money laundering compliance principal (MLCP) who will ensure that the AML supervised firm complies with the Regulations set out in this chapter as they pertain to anti-money laundering.

#### PERIODIC VISITS

- 4.11 The Committee will in its absolute discretion:
- determine the selection of practising certificate holders, ~~general affiliates, member firms; and~~ AML supervised firms ~~and AML affiliates~~ for a periodic visit;
  - determine the professional activities to be reviewed;
  - require the production of a report on the results of a visit; and
  - report back to the practising certificate holder, ~~general affiliate, member firm; and~~ AML supervised firm ~~or AML affiliate~~ the results of a visit.

#### VISIT REPORTS

- 4.12 The Committee may upon receipt and consideration of a report:
- require a practising certificate holder, ~~general affiliate, a member firm; or~~ an AML supervised firm ~~or an AML affiliate~~ to make improvements to its professional standards;
  - require a practising certificate holder, ~~general affiliate, member firm; or~~ AML supervised firm ~~or AML affiliate~~ to seek external support and assistance to implement improvements;
  - require a third party external review or a follow up visit;
  - impose restrictions and/or conditions on any licence, authorisation, status, certificate or registration held by a practising certificate holder, ~~general affiliate; or~~ member firm AML supervised firm ~~or AML affiliate~~; and/or
  - suspend or withdraw any licence, authorisation, status, certificate or registration held by a practising certificate holder, ~~general affiliate, member firm; and~~ AML supervised firm ~~or AML affiliate~~.

#### FEES

- 4.13 All *member firms* and *AML supervised firms* will be required to pay an annual regulatory fee for each year from 1 January which will cover the costs of the quality review process, subject to Regulation 4.15.
- 4.14 The *Institute* will set the amount of the annual regulatory fee.
- 4.15 The *Committee* can at its discretion order that a *member firm* or *AML supervised firm* pay an additional fee to cover the costs of any additional visit, or other quality review activity, which the *Committee* believes is required to ensure that the *member firm* or *AML supervised firm* is operating to the required professional standards.
- 4.16 The *Committee* may, at its discretion, determine the amount of any regulatory fee, to be paid by such time as the *Committee* may direct, in respect of a periodic visit to a *practising certificate holder*, ~~a general affiliate or an AML or affiliate.~~

#### **REGULATIONS FOR A TRANSITIONAL PERIOD TO ALLOW FOR THE AMALGAMATION OF THE INSTITUTE WITH THE CPA**

- 4.17 For any CPA Person the periodic visit cycle referred to in Regulation 4.11 will be calculated taking into account the date of the last periodic visit carried out by the CPA under the CPA Rules.
- 4.18 Where a quality review process (or equivalent process as set out in the CPA Rules) has commenced and not yet concluded at the Amalgamation Time, the quality review process will be carried out and concluded in accordance with the relevant CPA Rules. For the purpose of this Regulation, a quality review process commenced at the time the CPA Person was notified by the CPA that a visit is to be undertaken.
- 4.19 A CPA Person will not be required to pay an annual fee as set out under Regulation 4.13 for the year ended 31 December 2024.

## CHAPTER 5 – PRACTISING CERTIFICATES

### REQUIREMENT TO HOLD A PRACTISING CERTIFICATE

- 5.1 This chapter applies to all *members* wishing to engage in *public practice* in Ireland and/or any part of the United Kingdom (including the Channel Islands and the Isle of Man) or those *members* who are or have been *practising certificate holders*.
- 5.2 A *member* who engages in *public practice* in Ireland and/or the United Kingdom (including the Channel Islands and the Isle of Man) must hold a current *practising certificate*, subject to Regulation 5.2A.
- 5.2A Unless the *Committee* determines otherwise, a *member* who has obtained membership under reciprocal membership arrangements between *the Institute* and the Institute of Chartered Accountants in England and Wales ('ICAEW') or the Institute of Chartered Accountants of Scotland ('ICAS') pursuant to *Principal Bye-Law 7* and holds a current practising certificate from ICAEW or ICAS respectively, is not granted a *practising certificate* from the *Institute* if:
- (a) the *member* is not an *insolvency practitioner* in Ireland;
  - (b) the *member* is not a personal insolvency practitioner ('PIP'). A PIP is an individual authorised to act as a personal insolvency practitioner by the Insolvency Service of Ireland in accordance with the Personal Insolvency Act 2012;
  - (c) the *member* is not engaged in *public practice* as a sole practitioner;
  - (d) the *member* is not the only *principal* of the firm who is a member of a Prescribed Accountancy Body ('PAB'). A PAB is a professional accountancy body prescribed as falling within the supervisory remit of the Irish Auditing and Accounting Supervisory Authority pursuant to the Companies Act 2014; and,
  - (e) the ICAEW or ICAS practising certificate regime, as applicable, continues to extend to the jurisdiction (Ireland and United Kingdom) in which the *member* is in *public practice*.
- 5.2B Unless the *Committee* determines otherwise, a *member* who engages in *public practice* is not granted a *practising certificate* from the *Institute* if:
- (a) the *member* is also a member of a PAB; and,
  - (b) the *member* holds a current practising certificate from that PAB which is valid in the jurisdiction (Ireland and/or United Kingdom) in which the *member* is in *public practice*.
- 5.2C A *member* who avails of the exemption from holding a *practising certificate* under Regulation 5.2A or 5.2B must notify *the Institute* within ten business days of:
- (a) the *member* ceasing to hold a current practising certificate from ICAEW, ICAS or a PAB as applicable; or
  - (b) the practising certificate regime of ICAEW, ICAS, or the relevant PAB, as applicable ceasing to apply to the jurisdiction in which the *member* is engaged in public practice; or
  - (c) any change in the circumstances of the *member* which cause the conditions at 5.2A or 5.2B to cease to apply.
- 5.3 It is each *member's* own personal responsibility to ensure that he or she only engages in *public practice* if he or she complies with these *Regulations* and holds a current *practising certificate*.

- 5.4 If a *member* remains in doubt as to whether his or her activities amount to engaging in *public practice* an enquiry giving all relevant facts should be made to the *executive*. In determining whether a *member* is engaging in *public practice* the decision of the *Committee* will be final.
- 5.5 A *practising certificate* issued by the *Committee* will cease if:
- (a) the *practising certificate* has been withdrawn by the *Committee* in accordance with *Regulation 3.15*;
  - (b) the *Committee* has accepted the surrender of the *practising certificate* in accordance with *Regulation 5.29*; or
  - (c) the *practising certificate* has expired in accordance with *Regulation 5.21*.
- 5.6 A *member* shall not be deemed to be engaged in *public practice* in the following circumstances:
- (a) A *member* who is employed in *public practice* does not by virtue of his or her employment engage in *public practice*.
  - (b) A *member* who acts as a director of companies does not thereby engage in *public practice* unless one or more of these companies is a *public practice*.
  - (c) A consultant to a firm providing *accountancy services* is not engaged in *public practice* by virtue of his or her consultancy if he or she provides accountancy and related services to the firm and not directly to the clients of the firm.
  - (d) A sub-contractor to a firm providing *accountancy services* is not engaged in *public practice* by virtue of his or her sub-contract if he or she provides accountancy and related services under a written agreement indemnifying him or her from risk and in no way holds himself or herself out to be a *principal* of the firm.
  - (e) A *member* who is a *principal* in a firm whose sole purpose is to provide finance or insurance services or computer installation, applications or training.
  - (f) A *member* who acts as a bookkeeper is not engaged in *public practice* by virtue of his or her bookkeeping activities alone.
  - (g) A *member* who acts as a *trust and company service provider (TCSP)* is not engaged in *public practice* by virtue of his or her *TCSP* activities alone.
  - (i) A *member* who gratuitously or for a nominal amount (which is in the nature of expenses):
    - (i) provides *accountancy services* to a small charitable, community, religious or sporting body, or to similar bodies of a non-profit making nature, whose income is less than €355,000 (£250,000); or
    - (ii) acts as an auditor to a small entity within the definition at (i) above that is not required to be audited by a registered auditor [\(as defined in the Audit Regulations\)](#); or
    - (iii) provides accountancy or tax services for family members or friends provided these third parties are aware that the services are not being provided by way of a business and are being provided gratuitously or for a nominal amount (which is in the nature of expenses).
- 5.7 The grant of a *practising certificate* does not confer upon the holder any authorisation, registration or licence to operate in the *reserved areas*.

#### **PRACTISING CERTIFICATE HOLDERS' AND APPLICANTS' DUTIES**

- 5.8 A *practising certificate* holder and/or those applying for the grant of a *practising certificate* must:
- (a) co-operate with the *Committee* and provide such returns, statements or other information as the *Committee* considers necessary, these must be in the form decided by the *Committee*;
  - (b) notify the *executive* as soon as practicable, but not later than ten *business days* after the event, of any matter which may affect his or her continuing eligibility for a *practising certificate* or in relation to any changes to the *firm* through which the *member* engages in *public practice*; and
  - (c) comply and continue to comply with these *Regulations*.
- 5.9 When considering a *member's* current or future eligibility to hold a *practising certificate*, the *Committee* may take into account any factors which it reasonably believes to be relevant. This will include, but not be restricted to, any matters referred to it by the *Council* or any other *disciplinary body* or *Regulatory Committee* and the results of any report presented to it.

#### ELIGIBILITY TO HOLD A PRACTISING CERTIFICATE

- 5.10 An applicant for the grant of a *practising certificate* must satisfy the *Committee* that the applicant meets the following eligibility criteria:
- (a) applicant has obtained at least two years *approved post membership experience*;
  - (b) applicant has evidenced compliance with chapter 7 of these *Regulations*;
  - (c) applicant has evidenced compliance with the *CPD Regulations*;
  - (d) applicant has attended within the previous twelve months or has undertaken to attend in the following twelve months a "Going into Practice" course, or has attended the CPA "Practice Orientation" programme within 3 years prior to the application, or any other course, if the *Committee* so requires;
  - (e) applicant confirms that he or she has an up to date knowledge of the *Code of Ethics*;
  - (f) applicant is a fit and proper person to hold a *practising certificate*; and
  - (g) applicant has applied in accordance with *Regulation 5.14*.
- 5.11 A *practising certificate holder* seeking the renewal of a *practising certificate* must satisfy the *Committee* that the *practising certificate holder* meets the following eligibility criteria:
- (a) *practising certificate holder* has evidenced compliance with chapter ~~7~~6 of these *Regulations*;
  - (b) *practising certificate holder* has evidenced compliance with the *CPD Regulations* including maintaining and retaining a *CPD* record for five years;
  - (c) *practising certificate holder* is a fit and proper person to hold a *practising certificate*; and
  - (d) *practising certificate holder* has applied in accordance with *Regulation 5.14*.
- 5.12 *Practising certificate* holders or applicants for the grant or renewal of a *practising certificate*, must provide the *Committee* with such information as it requests regarding their current competence and integrity.
- 5.13 If the *Committee* has reasonable grounds to question the current competence, integrity or eligibility of a *practising certificate* holder or applicant it may seek, from whatever source, such information as it deems necessary including past and present claims and complaints history.

#### GRANT OR RENEWAL OF A PRACTISING CERTIFICATE

- 5.14 An application for the grant or a renewal of a *practising certificate* must be made in such form and contain such information as the *Committee* requires.
- 5.15 When considering an application for the grant or a renewal of a *practising certificate* the *Committee* may take into account any factors and make such enquiries as it reasonably believes to be relevant.
- 5.16 On receipt of an application for the grant or renewal of a *practising certificate* the *Committee* may:
- (a) grant or renew the *practising certificate*; or
  - (b) grant or renew the *practising certificate* with conditions and/or restrictions; or
  - (c) refuse to grant or renew the *practising certificate*.
- In the event of (b) or (c) above the *Committee* must advise the *member* of its reasons in writing.
- 5.17 When considering an application for the grant or the renewal of a *practising certificate*, the *Committee* may in its absolute discretion waive or relax any of the criteria set out in these *Regulations*.
- 5.18 Where the *Committee* grants or renews a *practising certificate* with restrictions and/or conditions the *practising certificate* will not be valid until the *member* notifies the *Committee* of his or her acceptance of the restrictions and/or conditions.
- 5.19 An application for the grant of a *practising certificate* must be received at least eight weeks before the date the *member* intends to commence in *public practice* or as otherwise directed or permitted by the *Committee*.
- 5.20 An application for the renewal of the *practising certificate* must be received at least six weeks prior to the expiry of the existing *practising certificate* or as otherwise directed or permitted by the *Committee*.

#### ISSUE OF A PRACTISING CERTIFICATE

- 5.21 *Practising certificates* will generally be issued for a period not exceeding twelve months ending on 31 December and may be renewed for a period of twelve months on the 1 January next following subject to the requirements of *Regulation 5.11* or extended for a period of three months in accordance *Regulation 5.22*.
- 5.22 The *Committee* may, in its absolute discretion, extend for a period not exceeding three months the validity of an existing *practising certificate* held by a *practising certificate holder* who has not submitted a renewal application prior to 31 December in the year his or her *practising certificate* was granted or renewed.
- 5.23 A *practising certificate holder*, including a *practising certificate holder* the validity of whose *practising certificate* has been extended in accordance with *Regulation 5.22*, who does not submit a renewal application in accordance with *Regulation 5.20*, or within the extension

period specified by the *Committee* in accordance with *Regulation 5.22*, shall cease to be eligible for such *practising certificate* unless the *Committee* decides otherwise.

- 5.24 A *member* who ceases to be eligible to hold a *practising certificate* must continue to comply with these *Regulations* until such time as the *practising certificate* has ceased to be effective in accordance with *Regulation 5.5* and thereafter must comply with any *regulation* having a continuing effect. Failure to do so may render the *member* liable to regulatory action and/or disciplinary action.

#### **ANNUAL FEES AND CHARGES**

- 5.25 The *Institute* shall set the amount of the annual *practising certificate* fee to be paid by *practising certificate holders* at such time as the *Institute* may determine.
- 5.26 The first annual fee is due when a *member* applies for a *practising certificate* and must accompany the application submitted under *Regulation 5.14*.
- 5.27 The *Committee* may require an applicant for the grant or renewal of a *practising certificate* to pay such charges as it decides to make for the investigation and follow up of any regulatory matter, including in relation to complex *practising certificate* applications or renewals.

#### **SURRENDER OF A PRACTISING CERTIFICATE**

- 5.28 A *member* who has ceased to act or intends to cease to act as a *member* engaged in *public practice* must apply to the *Committee* to surrender his or her *practising certificate*.
- 5.29 The *Committee* may grant the *member's* request to surrender his or her *practising certificate* provided the following applies:
- (a) *the Committee* is satisfied that there are no outstanding regulatory or disciplinary matters;
  - (b) all returns due have been submitted;
  - (c) all fees due have been paid;
  - (d) *the Committee* is satisfied that the *Regulations* relating to professional indemnity insurance (as set out in chapter 76 of these *Regulations*) have been complied with; and
  - (e) the *member's practising certificate* has been returned to the *executive*.

## CHAPTER 6 — INSOLVENCY PRACTISING CERTIFICATES

### REGULATIONS FOR A TRANSITIONAL PERIOD TO ALLOW FOR THE AMALGAMATION OF THE INSTITUTE WITH THE CPA

5.30 Each *CPA Practising Certificate* in issue and valid as at the *Amalgamation Time* will be automatically deemed to be the equivalent of a *practising certificate* granted by the *Institute* in accordance with these *Regulations*. Each *CPA Practising Certificate* deemed equivalent to a *practising certificate* in accordance with this Regulation 5.30 will be valid until 31 December 2025, after which date it must be renewed as a *practising certificate* in accordance with these *Regulations*.

5.31 Subject to Regulation 5.33, each *CPA Practising Certificate Holder* will at the *Amalgamation Time* be deemed to be a *practising certificate holder* in accordance with these *Regulations* for so long as their *CPA Practising Certificate* is valid.

### REQUIREMENT TO HOLD AN INSOLVENCY PRACTISING CERTIFICATE

6.1 This chapter applies to members who, regardless of their own location or place of business, act in *Ireland* in any of the following capacities:

- (a) members' voluntary liquidator;
- (b) creditors' voluntary liquidator;
- (c) provisional liquidator;
- (d) official liquidator;
- (e) receiver;
- (f) court appointed receiver;
- (g) sequestrator;
- (h) agent for debtor in possession;
- (i) examiner;
- (j) administrator;
- (k) ~~advisor to a company attempting to organise a Scheme of Arrangement under Sections 201 or 279 of the Companies Act 1963; and/or~~
- (l) trustee in bankruptcy.

6.2 A member to whom this chapter applies must (in addition to holding a current *practising certificate*) hold a current *insolvency practising certificate* and in determining whether a member is required by virtue of his or her activities to hold a current *insolvency practising certificate* the decision of the *Committee* will be final.

6.3 It is each member's own personal responsibility to ensure that he or she only acts as an *insolvency practitioner in Ireland* if he or she complies with these *Regulations* and holds a current *insolvency practising certificate*.

6.4 If a member remains in doubt as to whether he or she is required, by virtue of his or her activities, to hold a current *insolvency practising certificate* an enquiry giving all the relevant facts should be made to the *executive*.

6.5 The grant of an *insolvency practising certificate* does not grant on the holder any authorisation, registration or licence to operate in the *reserved areas*.

### INSOLVENCY PRACTISING CERTIFICATE HOLDERS' AND APPLICANTS' DUTIES

6.6 An *insolvency practising certificate holder* and/or those applying for the grant of an *insolvency practising certificate* must:

- (a) cooperate with the Committee and provide such returns, statements or other information as the Committee considers necessary, these must be in the form decided by the Committee;
- (b) notify the executive as soon as practicable, but not later than ten business days after the event of any matter which may affect his or her continuing eligibility for an insolvency practising certificate; and
- (c) comply and continue to comply with these Regulations.

6.7 When considering a member's current or future eligibility to hold an insolvency practising certificate, the Committee may take into account any factors which it reasonably believes to be relevant. This will include, but not be restricted to, any matters referred to it by any other disciplinary body or regulatory committee and the results of any report presented to it.

**ELIGIBILITY TO HOLD AN INSOLVENCY PRACTISING CERTIFICATE**

6.8 An applicant for the grant of an insolvency practising certificate must satisfy the Committee that the applicant meets the following eligibility criteria:

- (a) applicant holds a current practising certificate or has or is contemporaneously seeking the grant or renewal of a practising certificate from the Committee;
- (b) applicant has evidenced compliance with the CPD Regulations;
- (c) applicant is a fit and proper person to hold an insolvency practising certificate; and
- (d) applicant has provided confirmation that his or her professional indemnity insurance covers the activities listed in Regulation 6.1 and conforms with the requirements of chapter 7 of these Regulations.

6.9 An insolvency practising certificate holder seeking the renewal of an insolvency practising certificate must satisfy the Committee that the practising certificate holder meets the following eligibility criteria:

- (a) member holds a current practising certificate or has or is contemporaneously seeking the grant or renewal of a practising certificate from the Committee;
- (b) member has evidenced compliance with the CPD Regulations;
- (c) member is a fit and proper person to hold an insolvency practising certificate; and
- (d) member has provided confirmation that his or her professional indemnity insurance covers the activities listed in Regulation 6.1 and conforms with the requirements of chapter 7 of these Regulations.

6.10 Insolvency practising certificate holders or applicants for the grant or renewal of an insolvency practising certificate, must provide the Committee with such information as it requests regarding their current competence and integrity.

6.11 If the Committee has reasonable grounds to question the current competence of or integrity of an insolvency practising certificate holder or applicant, it may seek, from whatever source, such additional information as it deems necessary including past and present claims and complaints history.

**GRANT OR RENEWAL OF AN INSOLVENCY PRACTISING CERTIFICATE**

6.12 An application for the grant or a renewal of an insolvency practising certificate must be made in such form and contain such information as the Committee requires.

6.13 When considering an application for the grant or a renewal of an insolvency practising certificate the Committee may take into account any factors and make such enquiries as it reasonably believes to be relevant.

6.145.32 On receipt of Where an application for the grant or renewal of an insolvency practising certificate the Committee may a CPA Practising Certificate is open at the Amalgamation Time:

5.32.1 the application will be processed and considered in accordance with the CPA Rules;

- (a) grant or renew the insolvency practising certificate; or

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- ~~(b) grant or renew the *insolvency practising certificate* with conditions and/or restrictions; or~~
- ~~(c) refuse to grant or renew the *insolvency practising certificate*.~~

~~In the event of (b) or (c) above the *Committee* must advise the *member* of its reasons in writing.~~

- ~~6.15 Without prejudice to the generality of *Regulations 3.4* and *3.5*, when considering an application for the grant or the renewal of an *insolvency practising certificate*, the *Committee* may in its absolute discretion waive or relax any of the criteria set out in these *Regulations*.~~
- ~~6.16 Where the *Committee* grants or renews an *insolvency practising certificate* with restrictions and/or conditions the certificate will not be valid until the *member* notifies the *Committee* of his or her acceptance of the restrictions and/or conditions.~~
- ~~6.17 An application for the grant of an *insolvency practising certificate* must be received at least eight weeks before the date the *member*, to whom the *Regulations* set out in this chapter apply, intends to act as an *insolvency practitioner* or as otherwise directed or permitted by the *Committee* from time to time. An application for the renewal of the *insolvency practising certificate* must be received at least six weeks prior to the expiry of the existing *insolvency practising certificate* or as otherwise directed or permitted by the *Committee*.~~
- ~~6.18 An *insolvency* 5.32.2 if the application is approved, a *practising certificate* issued by the *Committee* will cease if: be granted; and~~

~~5.32.3 the applicant will be required to pay a fee as determined by the *Committee* in accordance with *Regulations 5.25* to *5.27*.~~

- ~~(a) the *insolvency practising certificate* has been withdrawn by the *Committee* in accordance with *Regulation 3.15*;~~
- ~~(b) the *Committee* has accepted the surrender of the *insolvency practising certificate* in accordance with *Regulation 6.27*; or~~
- ~~(c) the *insolvency practising certificate* has expired in accordance with *Regulation 6.19*.~~

#### **ISSUE OF AN INSOLVENCY PRACTISING CERTIFICATE**

- ~~5.33 Each *CPA Practising Certificate Holder* deemed to be issued a *practising certificate* under *Regulation 5.30* will be required to pay an annual fee in accordance with *Regulation 5.25*. There will be no fee due for 2024; the fee for the year to 31 December 2025 will be for 9 months only and will be pro-rated accordingly.~~
- ~~6.19 *Insolvency practising certificates* will generally be issued for a period not exceeding twelve months ending on 31 December and may be renewed for a period of twelve months on the 1 January next following subject to the requirements of *regulation 6.9* or extended for a period of three months in accordance with *Regulation 6.20*. In the year 2012 *insolvency practising certificates* may be issued by the *Committee* which will remain valid until 31 December 2013.~~
- ~~6.20 The *Committee* may, in its absolute discretion, extend for a period not exceeding three months the validity of an existing *insolvency practising certificate* held by an *insolvency practising certificate holder* who has not submitted a renewal application prior to 31 December in the year his or her *insolvency practising certificate* was granted or renewed.~~
- ~~6.21 An *insolvency* 5.34 Where a *practising certificate holder*, including an *insolvency* who is deemed to be issued with a *practising certificate holder* the validity of whose *insolvency practising certificate* has been extended in accordance with *Regulation 6.20* who does not submit a renewal application in accordance with *Regulation 6.17*, or within the extension period specified by the *Committee* in accordance with *Regulation 6.20*, shall cease to be eligible for such an *insolvency* 5.31, wishes to cease holding a *practising certificate* unless the~~

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~~Committee decides otherwise~~ after the *Amalgamation Time*, subject to *Regulation 6.35*, these *Regulations* will apply.

5.35 The *Committee* will be responsible for ensuring that a *CPA Practising Certificate Holder* complies with these *Regulations*. The *committee* will have all the responsibilities and powers set out in Chapter 2 and may take such regulatory action as set out in Chapter 3 of these *Regulations*.

5.36 The *Committee* has the power to supervise and enforce any decision in force against a *CPA Practising Certificate Holder* at the *Amalgamation Time* or any decision made as a consequence of these *Regulations*.

6.22 ~~A member who ceases to be eligible to hold an *insolvency practising certificate* must continue to comply with these *Regulations* until such time as the *insolvency practising certificate* has ceased to be effective in accordance with *Regulation 6.18* and thereafter must comply with any *regulation* having a continuing effect. Failure to do so may render the *member* liable to regulatory action and/or disciplinary action.~~

#### **ANNUAL FEES AND CHARGES**

6.23 — ~~The Institute shall set the amount of the annual *insolvency practising certificate* fee to be paid by *insolvency practising certificate* holders at such time as the Institute may determine.~~

6.24 — ~~The first annual fee is due when a member applies for an *insolvency practising certificate* and must accompany the application submitted under Regulation 6.12.~~

6.25 — ~~The Committee may require an applicant for the grant or renewal of an *insolvency practising certificate* to pay such charges as it decides to make for the investigation and follow up of any regulatory matter, including in relation to complex *insolvency practising certificate* applications or renewals.~~

#### **SURRENDER OF AN INSOLVENCY PRACTISING CERTIFICATE**

6.26 — ~~A member to whom the Regulations set out in this chapter apply who has ceased or intends to cease to act as an *insolvency practitioner* must apply to the Committee to surrender his or her *insolvency practising certificate*.~~

6.27 — ~~The Committee may grant the member's request to surrender his or her *insolvency practising certificate* provided the following applies:~~

(a) — ~~that the Committee is satisfied that there are no outstanding regulatory or disciplinary matters;~~

(b) — ~~that all returns due have been submitted;~~

— ~~(c) that all fees due have been paid; and~~

(d) — ~~the member's *insolvency practising certificate* has been returned to the executive.~~

#### **ANNUAL COMPLIANCE REVIEW**

6.28 — ~~An *insolvency practising certificate* holder must review and record, at least once each year, the effectiveness of his or her own quality control procedures and compliance with the Regulations set out in this chapter.~~

#### **ARRANGEMENTS FOR INCAPACITY OR DEATH**

6.29 — ~~An *insolvency practising certificate* holder must ensure he or she has adequate arrangements in place with another individual acceptable to the Committee to be effected in the event of the incapacity or death of the *insolvency practising certificate* holder. The *insolvency practising certificate* holder must inform the Committee of these arrangements in writing before or immediately following receipt of his or her *insolvency practising certificate* and inform the Committee immediately following any change or cancellation of the arrangements.~~

## CHAPTER 76 – PROFESSIONAL INDEMNITY INSURANCE

### PART 1: REQUIREMENT TO TAKE OUT PROFESSIONAL INDEMNITY INSURANCE

#### GENERAL

7-16.1 The *Regulations* set out in this chapter apply to:

- (a) a *member* holding a *practising certificate*; and/or
- (b) a firm or person licensed, registered or authorised to operate in a *reserved area*.

Firms are required to appoint a *compliance principal* who will ensure that the firm complies with the *Regulations* set out in this chapter.

7-26.2 The *Regulations* set out in this chapter also apply and shall continue to apply to a *member* or firm for two years after ceasing to hold a *practising certificate*, ~~*insolvency practising certificate*~~ or any licence, registration or authorisation to operate in a *reserved area*.

7-36.3 Those *members* who do not make their own professional indemnity insurance arrangements should ensure that the arrangements of their firm comply with the *Regulations* set out in this chapter.

7-46.4 If the *Committee* is satisfied that a group of firms (however composed) has shown that together they comply with these *Regulations*, it is at the *Committee's* discretion to allow that group to be treated as a single firm (compound firm) for the purposes of the *Regulations* set out in this chapter.

7-56.5 The *Committee* may in its absolute discretion, and in such terms as it decides:

- (a) grant an exemption from the requirements of the *Regulations* set out in this chapter to a *member* who is an employee in a firm and who is holding a *practising certificate* only to meet the requirement of the audit or insolvency *Regulations* and who is not engaged in *public practice* in another firm or on their own account;
- (b) grant an exemption from the requirements of *Regulation 7-136.13* to an entity or individual if that entity is owned or the individual is employed by an entity that is not subject to these *Regulations* provided that other entity (the owner/employer) has, and agrees to maintain, other appropriate professional indemnity insurance;
- (c) grant an exemption from the requirements of *Regulation 7-126.12* (b) to an entity or individual if that entity or individual is resident in a country outside of *Ireland* or the United Kingdom provided that the entity or individual is primarily in practice outside of *Ireland* or the United Kingdom and has other appropriate professional indemnity insurance that covers work undertaken in *Ireland* or the United Kingdom;
- (d) waive or relax any of the requirements of the *Regulations* set out in this chapter if it is satisfied that the firm is not engaging in *public practice*;
- (e) waive or relax the requirements of these *Regulations* concerning *participating insurers*.

7-66.6 A *member* may be a *principal* in a firm which is regulated by another professional body and has in place the professional indemnity insurance required by that body. The *Committee* may, in those circumstances and in its absolute discretion, exempt the *member* from the

requirements of the *Regulations* set out in this chapter provided the *member* has submitted such documentation and information as the *Committee* may require.

#### PRACTICE RESTRUCTURES

[7-76.7](#) *Principals* of a firm resulting from an amalgamation, merger, division or re-organisation, must ensure that the firm continues to comply with these *Regulations*. The terms and extent of any insurance must be equivalent to that provided by the affected firm's previous *qualifying insurance*.

[7-86.8](#) When a firm ceases by virtue of an amalgamation, merger division or re-organisation, the *practising certificate holders* in that firm at the date of cessation of the firm, must ensure that there is in place appropriate cover to meet the requirements of *Regulation 7-116.11* for at least 24 months following the cessation of the *practice*. Thereafter the *practising certificate holders* in that firm must use their best endeavours to ensure cover is in place to meet the requirements of *Regulation 7-116.11* for a further four years. The terms and extent of the cover must be equivalent to that provided by the firm's previous *qualifying insurance*.

#### PROFESSIONAL INDEMNITY INSURANCE EVIDENCE

[7-96.9](#) Firms must meet the requirements of these *Regulations* and must confirm to the *Committee* that they have done so. Every firm must in such a manner as determined by the *Committee* from time to time confirm compliance with the *Regulations* to the *Committee* each year. *Members* must provide information about their professional indemnity insurance as required by the *Committee* from time to time.

[7-106.10](#) The *Committee* can decide how and when it wishes to be informed of compliance with the *Regulations* and can require such evidence as it may reasonably require from *members*, firms and *participating insurers*.

#### CESSATION OF PRACTICE

[7-116.11](#) A *member* who is no longer engaged in *public practice* must use his or her best endeavours to ensure that he or she is covered by arrangements which meet the requirements of these *Regulations* for at least two years after he or she ceases to engage in *public practice*. The terms and extent of any cover must be equivalent to that provided by his or her firm's previous *qualifying insurance*.

#### PART 2: TERMS OF COVER

##### ABILITY TO MEET CLAIMS

[7-126.12](#) A firm must:

- (a) take such steps as may reasonably be expected of it so that it can meet claims against it arising out of being in *public practice*; and
- (b) arrange insurance which meets the criteria in *Regulations 7-13—7-216.13 to 6.21*.

##### QUALIFYING INSURANCE

[7-136.13](#) The insurance prescribed in *Regulations 7-166.16* and *7-176.17* must be effected by a policy or policies which meet the criteria for *qualifying insurance* and must be underwritten by *participating insurers*.

[7-146.14](#) *Qualifying insurance* must meet the minimum limit of indemnity specified in *Regulations 7-166.16* and *7-176.17*. It must include retroactive cover for liabilities arising from work carried out in the previous six years, or if the firm has been in existence for less than six years, from the date of inception of the firm, except for claims or potential claims known about at the time the insurance was first taken out.

[7-156.15](#) The terms of a *qualifying insurance* policy are approved by the *Council* but may be amended. A policy which does not use identical wording must contain a 'difference in conditions endorsement' in a form approved by the *Council*.

#### MINIMUM LIMIT OF INDEMNITY

[7-166.16](#) Except where *Regulation 7-176.17* or *7-186.18* apply the minimum limit of indemnity must be €2.14 million (£1.5 million) for any one claim and in total.

[7-176.17](#) Subject to *Regulations 7-186.18*, if a firm's gross fee income is less than €856,000 (£600,000) the annual minimum limit of indemnity for any one claim and in total must be equal to two and a half times its gross fee income, with a minimum of €142,000 (£100,000).

[7-186.18](#) If a firm is a licensed firm under the *Designated Professional Body Handbook* or a firm authorised by the UK Financial Conduct Authority (or any relevant successor body) to conduct insurance distribution activities then the minimum limit of indemnity required for those activities must be equivalent to at least €1,250,000 for any one claim and €1,850,000 in total per annum. This may form part of, or be in addition to, the minimum limit of indemnity required for the firm's other activities under *Regulation 7-166.16* or *7-176.17*.

[76.18A](#) For policy and renewals periods commencing on or after 1 January 2024, if a firm is a firm authorised under the *Investment Business Regulations* to carry out investment business activities, then that firm shall put in place and maintain a policy of professional indemnity insurance (PII) covering their investment business activities in accordance with the paragraphs below:

- (i) For those firms that are authorised under the *Investment Business Regulations* to carry out investment business activities but perform referral only business, the firm maintains the minimum limit of indemnity required at *Regulations 7-166.16* and *7-176.17*;
- (ii) For all other firms authorised under the *Investment Business Regulations* to carry out investment business activities the amount insured shall reflect Central Bank of Ireland requirements and variations thereto, which, at a minimum, provide cover for €1,300,380 per claim and €1,924,560 in aggregate to cover its investment business activities, within each calendar year. This cover must be **ring fenced** in respect of the firms' investment business activities.

[7-196.19](#) Gross fee income means all income in respect of work carried on by a firm engaged in *public practice*, including:

- (a) income for personal appointments in respect of work covered by professional indemnity insurance;

- (b) income from third parties as commissions or brokerage (whether or not offset against charges to a client) and;
- (c) income in respect of work sub-contracted to others.

It does not include:

- (a) the recovery of disbursements and expenses which do not form part of the chargeable fee for professional services rendered;
- (b) value added tax.

7.206.20 Gross fee income should be based on the accounting year of the firm which immediately precedes the start of the policy.

7.216.21 The minimum limit of indemnity can include an aggregate excess provided that the aggregate excess is no more than €42,000 (£30,000) multiplied by the number of *principals*.

7.226.22 The *Committee* may waive or relax the requirements of *Regulation 7.216.21* if a firm has demonstrated compliance with *Regulation 7.126.12(a)*.

### PART 3: INABILITY TO OBTAIN COVER

#### REASONS FOR ENTERING THE ASSIGNED RISKS POOL

7.236.23 The *Joint Advisory Panel* will permit a firm to be insured in the *assigned risks pool* if:

- (a) the firm has evidence of declinature, in a form satisfactory to the *Joint Advisory Panel*, from *participating insurers*; or
- (b) the firm is unable to obtain a quotation from any *participating insurer* other than a quotation which (in the opinion of the *Joint Advisory Panel*) amounts to constructive declinature. *Prima facie* evidence of constructive declinature will be:
  - (i) the quotation of a premium which the firm is unable to pay within six months from the commencement of the policy; or
  - (ii) the quotation of a premium which has such an effect on the firm's financial security that it jeopardises its ability to carry on its business; or
- (c) where cover following cessation of *public practice* (see *Regulation 7.146.11*) is not available from any *participating insurer*.

#### PROCEDURE FOR ENTERING THE ASSIGNED RISKS POOL

7.246.24 Application for admission into the *assigned risks pool* must be made to the *assigned risks pool managers*. Any application must include:

- (a) evidence of declinatures satisfactory to the *Joint Advisory Panel*; or
- (b) a declaration by the firm of the circumstances it considers to be evidence of constructive declinature. The *assigned risks pool managers* will refer the matter to the *Joint Advisory Panel*, which will decide whether particular cases constitute constructive declinature and whether the firm can enter the *assigned risks pool*.

7-256.25 A firm will be given a short term admission to the *assigned risks pool* provided the firm has signed the contract for entry, while other *participating insurers* are approached or while the *Joint Advisory Panel* decides whether there has been constructive declinature.

7-266.26 Before admission to the *assigned risks pool* the firm must:

- (a) supply the *assigned risks pool managers* with any information they may reasonably require;
- (b) agree to pay to the *assigned risks pool managers* within thirty days any required deposit and agree to pay within six months the balance to meet the full premium as eventually assessed;
- (c) agree to submit, at its own expense, to investigations as required by *regulation 7-276.27*; and
- (d) consent to the application being notified to the *Committee* and if admission to the *assigned risks pool* is granted or refused to the reporting, by the *assigned risks pool managers*, to the *Committee* of that fact.

7-276.27 On admission to the *assigned risks pool* a firm must submit, at its own expense, to an investigation by the *Committee* or its appointed agent (reviewer) and, if the *Committee* so decides, a further investigation at a later date. A deposit for the costs of the investigation may be required at the *Committee's* discretion. The investigation will:

- (a) determine the reasons why the firm cannot obtain cover; and
- (b) ascertain what steps, if any, should be taken to enable the firm to obtain cover outside the *assigned risks pool*.

7-286.28 The *Committee* will notify the firm of any action it should take following the investigation. If, as part of the investigation, the *Committee* considers that the interests of the firm's clients, or of the public, may be adversely affected, the *Committee* will initiate any action it considers necessary to prevent the firm from carrying on *public practice*, or to limit the extent to which the firm may carry on *public practice*.

#### LEAVING THE ASSIGNED RISKS POOL

7-296.29 A firm cannot remain in the *assigned risks pool* for more than twenty-four consecutive months without the express written approval of the *Joint Advisory Panel*. This written approval must be submitted to the *Committee* which will determine whether it considers that the interests of the firm's clients, or of the public may be adversely affected and will initiate any action it considers necessary to prevent the firm from carrying on *public practice*, or to limit the extent to which the firm may carry on *public practice*. Applications for extensions of time in the *assigned risks pool* must be made, through the *assigned risks pool managers*, to the *Joint Advisory Panel* which has absolute discretion to grant the application for continuation in the *assigned risks pool*. The decision of the *Joint Advisory Panel* in respect of the continuation will be final. Any such extension may be granted subject to the requirements of *Regulation 7-26-67.26*.

7-306.30 A member in *public practice* whose firm cannot obtain cover outside the *assigned risks pool* on or before the expiry of the maximum time allowed, including any extension allowed under *Regulation 7-296.29* will cease to be eligible to engage in *public practice*.

#### PART 4: PARTICIPATING INSURERS AND THE JOINT ADVISORY PANEL

## PARTICIPATING INSURERS

7.346.31 The *Council* will from time to time designate as *participating insurers* those *authorised insurers* who agree:

- (a) to underwrite professional indemnity risks in accordance with these *Regulations*;
- (b) to subscribe under an *assigned risks pool* contract to the *assigned risks pool* as specified in part 3 of this chapter for a calendar year, which runs from 1 January each year;
- (c) to supply to the *Institute* or a duly appointed agent such information as it may reasonably require;
- (d) to refer to arbitration all disputes with insured firms involving disagreement about:
  - (i) which of two or more *participating insurers* should indemnify a firm; or
  - (ii) how two or more *participating insurers* should indemnify a firm.

## JOINT ADVISORY PANEL

7.326.32 The *Joint Advisory Panel* will consist of two representatives from each of the *Existing Institutes*, one of whom shall be nominated chairman by joint agreement of the presidents of the *Existing Institutes*, and four representatives from the *participating insurers*. The *participating insurers'* membership of the *Joint Advisory Panel* will be reviewed every three years by the *assigned risks pool managers* for recommendations to the *Existing Institutes* based primarily on the participating insurers' level of participation in the *assigned risks pool* and such other criteria as may be determined by the *Institutes* from time to time. The quorum for meetings of the *Joint Advisory Panel* will be four members, two of whom must be representatives of the *Existing Institutes* and two of the *participating insurers*. The *Joint Advisory Panel* will meet as required and at least twice a year.

7.336.33 The *Joint Advisory Panel* is responsible for:

- (a) reviewing the progress, effectiveness and viability of the *participating insurers* scheme under *Regulation 7.306.30*, including the *assigned risks pool*;
- (b) reviewing matters referred to the *Institute* by *members* and/or firms and referred to the *Joint Advisory Panel*;
- (c) determining applications for admission to the *assigned risks pool*;
- (d) determining applications for extensions in particular cases to the maximum of twenty-four months in the *assigned risks pool*;
- (e) dealing with any other matters referred to the *Joint Advisory Panel* which require urgent response.

## PART 5: REGULATIONS FOR A TRANSITIONAL PERIOD TO ALLOW FOR THE AMALGAMATION OF THE INSTITUTE WITH THE CPA

6.34 For CPA Persons, professional indemnity insurance held in compliance with the CPA Rules at the Amalgamation Time will be deemed to comply with these Regulations for all renewal periods commencing on or before the 31 December 2025. For any professional indemnity insurance policies renewed on or after 1 January 2026 these Regulations apply.

6.35 Where a CPA Person ceases to engage in public practice on or before the expiry of any insurance deemed to comply with these Regulations in accordance with Regulation 6.34, the CPA Rules relating to professional indemnity insurance on cessation of practice will apply.

## CHAPTER 87 – GENERAL AFFILIATES

### GENERAL

~~8.1~~ A firm which, in accordance with *Principal Bye Law 22*, describes itself as a firm of *Chartered Accountants* must not engage in *public practice* in Ireland or the United Kingdom (including the Channel Islands and the Isle of Man) unless each *principal* in the firm who is not a *Chartered Accountant* has been granted:

~~7.1~~ This chapter applies to every firm which is:

- ~~(a)~~ an *AML supervised firm*;
- ~~(b)~~ a *Registered Auditor* in accordance with the *Audit Regulations*;
- ~~(c)~~ a firm authorised under the *Investment Business Regulations* to carry out investment business activities in Ireland; and/or,
- ~~(d)~~ a *member firm*

\_\_\_\_\_ and to the *principals* of those *firms*.

\_\_\_\_\_ Note the affiliate requirements for firms authorised under the *Designated Professional Body Handbook* to carry out investment business activities in the UK are set out in the *Designated Professional Body Handbook*.

~~7.2~~ Each *principal* of a firm which is a firm referred to in *Regulation 7.1(a) to (d)* is required to be either a *member of the Institute* or an *affiliate of the Institute*.

- ~~(a)~~ *general affiliate* status in accordance with these *Regulations*;
- ~~(b)~~ the equivalent of *general affiliate* status by one of the *Existing Institutes*;
- ~~(c)~~ *audit affiliate, investment business affiliate or insolvency affiliate* status by the *Institute* in accordance with, as the case may be, the *Audit Regulations, the Investment Business Regulations, the Designated Professional Body Handbook or the Insolvency Licensing Regulations*; or
- ~~(d)~~ the equivalent of *audit affiliate, investment business affiliate or insolvency affiliate* status by one of the *Existing Institutes*.

~~7.2 A~~ *Regulation 7.2* does not apply to a *principal* of a *Registered Auditor* which is itself a *Registered Auditor*.

~~8-7.3~~ It is the responsibility of each *member* to ensure that when he or she engages in *public practice* as a *principal* in a firm referred to in *Regulation 8-7.1* that the firm and each *principal* in the firm complies with the requirements of this chapter. Firms are required to appoint a *compliance principal* who will ensure that the firm complies with the *Regulations* set out in this chapter. Any notice to be served on a *general affiliate* will also be served on the *compliance principal*.

~~8-7.4~~ A person recognised as a *general affiliate* shall not have any right or entitlement under the *Charter, the Principal Bye-Laws, the Disciplinary Bye-Laws* or any *Regulations* or rules of the *Institute* save as expressly conferred by these *Regulations* and in particular, shall have no right to describe himself or herself as a *Chartered Accountant* or use the designatory letters *ACA* or *FCA*, or as a *Certified Public Accountant* or use the designatory letters *CPA* or *FCPA*.

~~8.4~~ The *regulations* relating to *audit affiliates, investment business affiliates and insolvency affiliates* contained in the *Audit Regulations, Investment Business Regulations, the Designated*

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~~Professional Body Handbook and the Insolvency Licensing Regulations are unaffected by these Regulations.~~

#### APPLICATION FOR ~~GENERAL~~ AFFILIATE STATUS

~~8.57.5~~ An applicant for recognition as a ~~general~~ affiliate under these Regulations shall submit an application and provide an undertaking in the form and manner prescribed by the Institute from time to time.

~~8.6~~ An application for recognition as a ~~general~~ affiliate must also be signed by one member who is a ~~principal~~ in the firm in which the applicant is engaging in ~~public practice~~ unless the applicant is a member of any of the following accountancy bodies when no additional signatures will then be required:

- ~~(a)~~ Institute of Certified Public Accountants in Ireland;
- ~~(b)~~ Association of Chartered Certified Accountants;
- ~~(c)~~ Chartered Institute of Management Accountants; or
- ~~(d)~~ Chartered Institute of Public Finance and Accountancy.

~~8.77.6~~ The Committee shall be responsible for determining applications for ~~general~~ affiliate status.

~~8.87.7~~ The Committee may:

- (a) grant the application;
- (b) reject the application;
- (c) grant the application subject to restrictions and/or conditions; or
- (d) postpone consideration of the application.

~~8.97.8~~ Restrictions and/or conditions may be imposed by the Committee in such terms as the Committee in its absolute discretion considers appropriate either at the time of grant of ~~general~~ affiliate status, or at any time thereafter, if the Committee considers it appropriate to do so.

~~8.107.9~~ The Committee may grant ~~general~~ affiliate status if the Committee is satisfied that the applicant:

- ~~(a)~~ is a ~~principal~~, or has been offered the position of a ~~principal~~, in a firm and such has been confirmed in writing in a manner acceptable to the Committee;
- ~~(b)~~ is a fit and proper person to be granted ~~general~~ affiliate status;
- ~~(c)~~ has agreed to comply with these Regulations and with all other obligations and liabilities of a member of the Institute and to be bound by the Charter, the Principal Bye-Laws, the Disciplinary Bye-Laws and other any other rules, regulations, codes and standards of the Institute; ~~and~~
- ~~(d)~~ has agreed to observe and uphold the Code of Ethics; ~~and~~
- ~~(e)~~ has agreed to provide and provides the Institute with all the information it requires.

#### FEES

~~8.11~~ A ~~general~~ affiliate shall pay such fees as the Institute may determine ~~from time to time~~.

#### LIABILITY TO DISCIPLINARY ACTION

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~~8.12~~ ~~A general~~<sup>7.11</sup> ~~An~~ affiliate who makes any representation that he or she has any right or entitlement other than as conferred on him or her by these *Regulations* shall render himself or herself liable to disciplinary action.

7.12 The disciplinary arrangements of the *Institute* will apply to breaches of *Institute Bye-Laws* or *regulations by an affiliate*, or to any failure by an *affiliate*, to observe and uphold the *Code of Ethics* in the same way as they apply to *members*.

~~8.13~~<sup>7.13</sup> ~~The *Disciplinary Bye-Laws* shall~~arrangements of the *Institute* will apply to a complaint against ~~a general~~<sup>an</sup> affiliate as they apply to complaints against *members*.

#### CESSATION OF ~~GENERAL~~ AFFILIATE STATUS

~~8.14~~ ~~A general affiliate may tender his or her resignation by notice in writing to the *Committee* and on its acceptance by the *Committee*, but not until then, he or she shall cease to be a general affiliate.~~

~~8.15~~ ~~The *Committee* may accept a general affiliate's resignation provided the following applies:~~  
~~(a) the *Committee* is satisfied that there are no outstanding regulatory or disciplinary matters;~~  
~~(b) any returns due have been submitted; and~~  
~~(c) any fees due have been paid.~~

~~8.16~~ ~~General 7.14~~ ~~a~~<sup>an</sup> affiliate status will cease if;

- ~~(a) a general affiliate has ceased to be engaged, or to be entitled to engage in accountancy or a discipline relevant to the profession of accountancy;~~
- ~~(b)~~<sup>(a)</sup> the firm of which a general affiliate is a principal has ceased to be a firm, referred to in Regulation 7.1;
- ~~(b)~~ a general affiliate has ceased to be a principal in the firm to which his or her general affiliate status related, except where Regulation 7.16 applies;
- ~~(c) the affiliate is an individual and an event occurs which under the *Charter*, the *Principal Bye-Laws*, the *Disciplinary Bye-Laws* or other regulations of the *Institute* would cause the membership of a member to cease; or~~
- ~~(d) the affiliate is a body corporate which:~~

- ~~i. has been the subject of an effective resolution passed by the shareholders (or in the case of a limited liability partnership, by its members) for it to be wound up or has had a winding-up order made against it on grounds of insolvency; or~~
- ~~ii. has had an administration order made against it on grounds of insolvency; or~~
- ~~iii. has had a receiver appointed by a creditor or by a court on the application of a creditor.~~

~~general~~<sup>(e)</sup> affiliate status has been withdrawn by the *Committee* under *Regulation 3.17*; or  
~~(e) the *Committee* has accepted the resignation of a general affiliate under Regulation 8.15.~~  
~~(f) The Irish Auditing and Accounting Supervisory Authority (IAASA) or the Financial Reporting Council (FRC) issues a decision withdrawing affiliate status.~~

#### REGULATORY ACTION

7.15 An affiliate is subject to regulatory action, where applicable, in accordance with chapter 3 of these *Regulations*.

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## CHANGES IN CIRCUMSTANCES

~~8.17~~ ~~A general~~7.16 An *affiliate* or an applicant for ~~general~~*affiliate* status or the compliance principal must provide details in writing within ten *business days* of any changes ~~to~~ information provided by him or her in an application for ~~general affiliate status~~ that are relevant to the matters considered by the *Committee* under *Regulation 7.9* including:

- any matter which could mean that the *affiliate*, or applicant for *affiliate* status, is no longer a fit and proper person to be an *affiliate*; and,
- details of any *insolvency event* that has occurred in relation to the *affiliate* or applicant for *affiliate* status.

## REGULATIONS FOR A TRANSITIONAL PERIOD TO ALLOW FOR THE AMALGAMATION OF THE INSTITUTE WITH THE CPA

7.17 Where *Regulation 7.1* applies, each *CPA affiliated partner* wishing to become an *affiliate* at or after *Amalgamation Time* must request to be registered in accordance with *Regulation 7.18*.

7.18 Subject to *Regulation 7.17*, each *CPA affiliated partner* at *Amalgamation Time* will be eligible to register as an *affiliate*, provided they:

7.18.1 submit a request, in the form prescribed by *Council*, to be so registered; and

7.18.2 agree to be bound by and observe the *Institute Bye-Laws* and regulations.

Such requests and agreements must be submitted within 4 months after the *Amalgamation Time* and each *CPA affiliated partner* who registers as an *affiliate* in accordance with this *Regulation 7.18* will be deemed to be an *affiliate* with effect from the *Amalgamation Time*.

7.19 Where a *CPA affiliated partner* is not registered in accordance with *Regulation 7.18*, they will not be registered as an *affiliate* unless they apply in accordance with *Regulation 7.5*.

7.20 The *executive* will be entitled to contact the *compliance principal* to advise that registration is required in accordance with *Regulation 7.17* and *7.18*.

7.21 The *Committee* may, at its discretion, continue the status of the *firm* until the process set out in *Regulations 7.17* to *7.20* is completed.

7.22 A *CPA affiliated partner* will not be required to pay any fee, as set out in *Regulation 7.10*, for the year ended 31 December 2024.

7.23 Where an application for *CPA affiliated partner* status is open at the *Amalgamation Time*, the process will be concluded as an application for *affiliate* status in accordance with these *Regulations*.

7.24 Where an *affiliate* who became such pursuant to *Regulation 7.18* wishes to cease to be an *affiliate* after the *Amalgamation Time* these *Regulations* will apply.

## CHAPTER 98 – CLIENTS' MONEY

### PART 1: GENERAL

- [9-18.1](#) The *Regulations* set out in this chapter apply to all *firms* in *Ireland* and the United Kingdom and to the *principals* of such *firms*. A *firm* must receive or hold *clients' money* only in accordance with the *Regulations* set out in this chapter.
- [9-28.2](#) The *Regulations* set out in this chapter do not apply to investment business clients' money as defined in chapter 4 of the *Investment Business Regulations*.
- [9-38.3](#) In determining whether a *firm* is subject to the *Regulations* set out in this chapter the decision of the *Committee* will be final.
- [9-48.4](#) To enable it to ascertain whether or not the *Regulations* set out in this chapter are being complied with, the *Committee* may, at its discretion, appoint a person or persons to inspect the books and records of a *firm* or any of its *principals*.

### PART 2: CONDUCT IN RELATION TO CLIENTS' MONEY

#### ARRANGEMENTS FOR INCAPACITY OR DEATH

- [9-58.5](#) A *firm* which is a sole practice may not receive or hold *clients' money* unless it has adequate arrangements with another *firm* acceptable to the *Committee* to enable the proper distribution or processing of *clients' money* held by the *firm* with a minimum of dislocation in the event of the incapacity or death of the sole practitioner.
- [9-68.6](#) All such *firms* holding *clients' money* must inform the *Committee* in writing of these arrangements before or immediately following the first receipt of *clients' money* by the *firm* and immediately following any change (including cancellation) in the arrangement.

#### CLIENTS' MONEY

- [9-78.7](#) Where a *firm* has power or control over a client's own account, though not meeting the definition of *clients' money*, it must ensure that it has the specific written authority of the client acknowledged by the *bank* before exercising that authority, and it must maintain adequate records of the transactions it undertakes.
- [9-88.8](#) Fees paid in advance for professional work agreed to be performed and clearly identifiable as such shall not be regarded as *clients' money* for the purpose of the *Regulations* set out in this chapter.
- [9-98.9](#) A cheque or draft received by a *firm* which is drawn in favour of a client or third party does not constitute *clients' money* for the purpose of the *Regulations* set out in this chapter.
- [9-108.10](#) When a cheque or draft which includes *mixed monies* is paid into a *client bank account*, the money which is not *clients' money* must be withdrawn as soon as the cheque or draft is cleared.

## HOLDING CLIENTS' MONEY

- [9-148.11](#) All money which is *clients' money* must be held in a *client bank account*.
- [9-128.12](#) *Clients' money* must be held in the currency in which it is received unless the client instructs otherwise in writing.
- [9-138.13](#) A *firm* may only hold *clients' money* in a *bank* outside the United Kingdom or *Ireland* if the client is informed in writing:
- (a) of the country or territory where the account will be held; and
  - (b) either
    - (i) that the *bank* has given the acknowledgement required under *Regulation 9-188.18*(b), or
    - (ii) where the *bank's* acknowledgement has not been received, the *firm* has advised the client that the *clients' money* held in that account may not be protected as effectively as it would if held in a *bank* in the United Kingdom or *Ireland*; and
  - (c) the client has agreed in writing to the money being paid into, or remaining in, that *bank*.
- [9-148.14](#) A *firm* may not hold *clients' money* (or money which would, if held in a *bank* be *clients' money*) outside the European Union unless:
- (a) the client is informed in writing of the country or territory where the account will be held; and
  - (b) the client has agreed in writing to the money being paid into, or remaining in, the institution where the money is held; and
  - (c) the client accepts in writing that where money is so held it will not have the protection afforded by these *Regulations*.
- [9-158.15](#) Before accepting any *clients' money* on behalf of a client the *firm* must verify the identity of the client.

## OPENING A CLIENT BANK ACCOUNT

- [9-168.16](#) Subject to *Regulation 9-248.21*, a *firm* which receives or holds *clients' money* or *mixed monies* or money which under *Regulation 9-248.21* the *firm* is required to pay into a *client bank account*, must immediately open one or more *client bank accounts*.
- [9-178.17](#) A *firm* may maintain one or more *client bank accounts* as appropriate.
- [9-188.18](#) On opening a *client bank account*, a *firm* must notify the *bank* in writing that:
- (a) all money standing to the credit of that account is held by the *firm* as *clients' money* and that the *bank* is not entitled to combine the account with any other account or exercise any right to set off or counterclaim against money in that account in respect of any money owed to it on any other account of the *firm*;
  - (b) interest payable on the money in the account must be credited to that account;
  - (c) the *bank* must describe the account in its records to make it clear that the money in the account does not belong to the *firm*; and

- (d) the *bank* must acknowledge in writing that it accepts these terms.

[9-198.19](#) For a *client bank account* in Ireland or the United Kingdom, if the *bank* does not provide the acknowledgement required under ~~Regulation 9-188.18~~(d) within twenty *business days* of the *firm* sending the notice, the *firm* must:

- (a) withdraw all money from the account;
- (b) close the account; and
- (c) deposit the money with another *bank* in a *client bank account*; or
- (d) as a last resort, return the money to the client.

#### PAYMENT INTO A CLIENT BANK ACCOUNT

[9-208.20](#) *Clients' money* or *mixed monies* received by a *firm* or by any *principal* must be paid immediately into a *client bank account*, or to the client.

[9-218.21](#) A *firm* must only pay money into a *client bank account* if:

- (a) the *firm* is required to make such payment under these *Regulations*; or
- (b) the money is the *firm's* own money and:
  - (i) it is required to be so paid for the purpose of opening and maintaining the account and the amount is the minimum amount required for that purpose; or
  - (ii) it is so paid in order to restore in whole or in part any money paid out of the account in contravention of these *Regulations*.

[9-228.22](#) A *firm* shall not be regarded as having breached *Regulation 9-208.20* or [9-218.21](#) simply because it transpires that money which the *firm* paid into a *client bank account* in the reasonable belief that it was required to do so under the *Regulations* set out in this chapter should not have been paid into such an account, provided that immediately upon discovering the error the *firm* takes the necessary steps to withdraw the money which has been paid into such account in error.

[9-238.23](#) Where money of any one client in excess of €14,200 (£10,000) is held or is expected to be held by the *firm* for more than thirty days, the money must be paid into a *client bank account* designated by the name of the client or by a number or letters allocated to that account.

#### INTEREST

[9-248.24](#) Subject to *Regulation 9-258.25* and [9-268.26](#), a *firm* must:

- (a) place *clients' money* in an interest-bearing account unless the interest earned would not be material;
- (b) ensure that a fair rate of interest on the money is earned; and
- (c) ensure that all interest earned is paid or credited to the client, or as the client instructs in writing.

[9-258.25](#) *Regulation 9-248.24* shall not apply to *clients' money* held by a *firm* as stakeholder though a *firm* may not itself earn interest on it unless *Regulation 9-268.26* applies.

9-268.26 The *firm* and the client may agree in writing different arrangements for the payment of interest on *clients' money* held. This agreement may be in the engagement letter with the client.

9-278.27 It shall be a breach of these *Regulations* if a *firm* fails to comply with any of the terms of any such agreement as is referred to in *Regulation 9-268.26*.

9-288.28 For the purpose of *Regulations 9-24 9-278.24 to 8.27* *clients' money* held by a *firm* for two or more clients acting together in one or more transaction may be treated as though held for a single client.

#### WITHDRAWAL FROM A CLIENT BANK ACCOUNT

9-298.29 A *firm* may withdraw from a *client bank account*:

- (a) (i) money, not being *clients' money*, paid into a *client bank account* for the purpose of opening or maintaining the account; or
- (a) (ii) *mixed monies* which are not *clients' money*;
- (b) money paid into a *client bank account* contrary to these *Regulations* or which would have been so but for *Regulation 9-228.22*;
- (c) money required to be withdrawn under *Regulation 9-108.10*;
- (d) interest which the client has agreed in writing should not be paid to him or her (see *regulation 9-268.26*);
- (e) money properly required for a payment to a client;
- (f) money properly required for or towards payment of a debt due to the *firm* from a client otherwise than in respect of fees earned by the *firm*;
- (g) money withdrawn in accordance with *Regulation 9-328.32* for or towards payment of fees payable to the *firm* by the client;
- (h) money drawn on a client's written authority or in conformity with any written contract between the *firm* and the client;
- (i) money which may be properly transferred into another *client bank account* or into a bank account in the name of an individual client or clients acting jointly (see *Regulation 9-288.28*).

9-308.30 Any withdrawal from a *client bank account* may only be made where a specific authority in respect of that withdrawal has been signed by a *principal* of the *firm*.

9-318.31 The *firm* must ensure that at all times the total balance held in all the *client bank accounts* is at least equal to the sum of credit balances held for all clients and that no amount may be withdrawn from the *client bank account* for any client which is greater than the credit balance held for that client.

9-328.32 Money may only be withdrawn from a *client bank account* for or towards payment of fees payable by the client to the *firm* if:

- (a) the precise amount thereof has been agreed by the client or has been finally determined by a court or arbitrator;
- (b) the fees have been accurately calculated in accordance with a formula agreed in writing by the client on the basis of which the amount thereof can be determined; or
- (c) thirty days have elapsed since the date of delivery to the client of a statement of fees and the client has not questioned the amount therein specified as due.

9.338.33 Monies which are payable to the *firm*, shall be withdrawn as soon as reasonably practicable.

#### UNIDENTIFIED AND UNTRACED CLIENTS

9.348.34 Where the ownership of *clients' money* cannot, for whatever reason, be attributed to identifiable clients or their representatives, or cannot be sent to them because their whereabouts are unknown, they may be remitted to the Treasury Solicitor's Department, One Kemble Street, London, WC2B 4TS or the Minister for Finance of *Ireland* (or the equivalent in other jurisdictions), or otherwise must be retained on deposit for the benefit of those clients.

### PART 3: REGULATORY COMPLIANCE

#### COMPLIANCE PRINCIPAL

9.358.35 All *firms* must appoint a *compliance principal* who will ensure that the *firm* complies with the *Regulations* set out in this chapter. In a sole practice this will be the sole practitioner.

#### COMPLIANCE REVIEW

9.368.36 The *compliance principal* on behalf of the *firm* must conduct an annual *compliance review* to ensure that the systems it has maintained have been adequate to enable it:

- (a) to comply with these *Regulations*;
- (b) to carry out the reconciliations in accordance with *Regulation 9.388.38*;
- (c) to prepare such returns as required under *Regulation 1.28*; and
- (d) to confirm its compliance with the *Regulations* set out in this chapter.

#### RECORDS AND RECONCILIATION

9.378.37 A *firm* must keep *clients' money* records (including the notice and acknowledgement under *Regulation 9.18*) which show:

- (a) details of all money paid into and out of all *client bank accounts*;
- (b) entries of all *clients' money* paid directly to the client, or, on the client's instructions, paid to a third party, identifying that person;
- (c) entries of all cheques received and endorsed over by the *firm* to the client or, on the client's instruction, endorsed over to a third party, identifying that person;
- (d) entries of all electronic transfers received or made of money and transferred directly to the client or, on the client's instructions, transferred to a third party, identifying that person; and
- (e) details of all transactions on each client's ledger account which will easily identify the balance held for each client and which will reconcile to the *client bank accounts*.

9.388.38 A *firm* must at the same time and at least once every five weeks reconcile:

- (a) the total balances on all its *clients bank accounts* with the total corresponding credit balances in respect of its clients, as recorded by it, and where any difference arises, correct it immediately; and

- (b) the balance on each *client bank account*, as recorded by it, with the balance on that account as set out in the statement issued by the *bank* and, where any difference arises, correct it immediately, unless the difference arises solely as a result of timing differences.

9-398.39 Records kept in accordance with *Regulation 9-378.37, 9-388.38* or created in compliance with *Regulation 1.28* shall be preserved for at least six years from the date on which they were made and the *firm* shall hold them available for inspection.

9-408.40 Significant breaches of the *Regulations* set out in this chapter require to be reported by the *firm* to the executive as soon as practicable but not later than ten *business days* after the breach has been identified. The *firm* should also provide details of action taken or to be taken to rectify the position.

#### INDEPENDENT ACCOUNTANTS' REPORTS

9-418.41 The *Committee*, at its discretion and on such terms and conditions as it thinks fit, may require the *firm* to provide an *independent accountant's report*.

9-428.42 The *independent accountant's report* shall be in a form and cover a period determined by the *Committee*.

9-438.43 The *firm* will be responsible for appointing an *independent accountant*.

9-448.44 The *independent accountant's report* must at a minimum state whether in the view of the *independent accountant*:

- (a) the *firm* has adequate systems so that it can comply with the *Regulations* set out in this chapter and make any necessary confirmations as may be required under *Regulation 1.28*;
- (b) the *firm* has complied with the *Regulations* set out in this chapter relating to *clients' money* as at the reporting date; and
- (c) whether, while carrying out the work in support of the report, anything has come to the *independent accountant's* attention which caused him or her to believe that the *firm* has failed to comply with the *Regulations*.

#### PART 4: REGULATIONS FOR A TRANSITIONAL PERIOD TO ALLOW FOR THE AMALGAMATION OF THE INSTITUTE WITH THE CPA

8.45 *CPA Authorised Firms* are required to implement the provisions of this Chapter 8 (*Clients' Money*) within 6 months of the *Amalgamation Time*. Until so implemented, each *CPA Authorised Firm* must continue to comply with the provisions of the *CPA Clients' Money Rules*. Each *CPA Authorised Firm* must comply with the provisions of this Chapter 8 (*Clients' Money*) from either the time that such firm implements those provisions or the date falling 6 months after the *Amalgamation Time*, whichever is sooner.

8.46 For CPA Authorised Firms, records and reconciliations maintained before Amalgamation Time in accordance with the CPA Clients' Money Rules will be counted towards the six-year period set out in Regulation 8.39.

## CHAPTER 109 – ANTI-MONEY LAUNDERING SUPERVISION

### ANTI-MONEY LAUNDERING (AML) SUPERVISED FIRMS

- 9.1 This chapter applies to AML supervised firms and the principals at those firms.
- 9.2 Where an AML supervised firm is not also a member firm the AML supervised firm is a regulated non-member firm and so is obliged to comply with the Bye-Laws and Regulations of the Institute in the same way as a member firm.
- 9.3 The relevant professional bodies have agreed protocols, pursuant to anti-money laundering legislation in Ireland and in the UK, to determine which professional body supervises the firm for anti-money laundering purposes where the principals of the firm include members of more than one professional body. A practising certificate holder shall ensure that a firm at which he/she is a principal is subject to supervision for compliance with anti-money laundering legislation in Ireland or the UK as appropriate, either by the Institute or another professional body.
- 9.4 Where a practising certificate holder is unsure whether the firm at which he or she is a principal is an AML supervised firm or whether another professional body is responsible for supervision of the firm for compliance with anti-money laundering legislation, the practicing certificate holder should contact the Institute at professionalstandards@charteredaccountants.ie.
- 9.5 The Committee shall be the final judge of whether a firm is an AML supervised firm, subject to the provisions of AML legislation and the agreements/protocols between the relevant professional bodies pursuant to AML legislation.
- 9.6 Where a practising certificate holder and the firm at which he or she is a principal is subject to anti-money laundering supervision by another professional body, the practicing certificate holder should notify the Institute within ten business days of that supervision commencing.
- 9.7 All AML supervised firms and their principals comply with:
- (a) these Regulations; and
  - (b) the obligations of the AML supervised firm as a designated person/relevant person under AML legislation in Ireland or the UK as applicable.
- 9.8 All AML supervised firms provide to the Institute, a declaration made with the authority of the AML supervised firm, that it:
- (a) agrees to be bound by these Regulations and will make sure that it complies with these Regulations at all times;
  - (b) acknowledges its obligations as a designated person/relevant person under AML legislation in Ireland or the UK as applicable; and

- (c) will deal with the *Institute* in an open and cooperative manner and inform the *Institute* promptly about anything concerning the *AML supervised firm* that these *Regulations* require.

This declaration should be provided to the *Institute*, in the format requested by the *Institute*.

9.9 An *AML supervised firm* must make arrangements so that each *principal*, *beneficial owner* and manager as defined in AML legislation is, and continues to be, a fit and proper person.

9.10 An *AML supervised firm* must notify the *Institute* as soon as practicable, but not later than ten *business days*, after the event of any matter which could mean that a *principal* or *beneficial owner* of the *AML supervised firm* is no longer a fit and proper person.

#### **ANTI-MONEY LAUNDERING AFFILIATES**

9.11 It is the responsibility of each *AML supervised firm* and each *member* who is a *principal* at such firm to ensure that all *principals* who are not *members* have been granted *AML-affiliate* status under these *Regulations*, and comply with the provisions of these *Regulations* in relation to affiliates (chapter 7).

#### **MONEY-LAUNDERING COMPLIANCE PRINCIPAL (MLCP)**

9.12 All *AML supervised firms* are required to appoint a *money laundering compliance principal (MLCP)* who will ensure that the *AML supervised firm* complies with these *Regulations* as they pertain to anti-money laundering.

9.13 All *firms* are required by these *Regulations* to appoint a *compliance principal*. The role of *MLCP* at an *AML supervised firm* is a separate role. The role of *MLCP* and that of the *compliance principal* may be combined in a single individual provided that person has sufficient seniority, authority, governance responsibility, time, capacity and resources to do both roles properly.

9.14 The *MLCP* is an individual who has:

- an understanding of the business of the *AML supervised firm*, its service lines and its clients;
- the authority to ensure the *AML supervised firm's* compliance with these *Regulations*;
- the time, capacity and resources to fulfil the role of *MLCP*; and
- authority to represent the *AML supervised firm* in legal proceedings.

9.15 The *AML supervised firm* must notify the identity of the *MLCP* to the *Institute* in writing. The *MLCP* is the *AML supervised firm's* first point of contact with the *Institute* in connection with these *Regulations* as regards the firm's anti-money laundering obligations.

9.16 The role of *MLCP* is separate from the role often titled the money laundering reporting officer ('*MLRO*'). The *MLRO* is a nominated person with responsibility for the reporting of suspicious transactions/activities on behalf of the *AML supervised firm*. This role of *MLCP* (ensuring the firm's compliance with these *Regulations* as regards the firm's anti-money laundering obligations) and that of the *MLRO* may be combined in a single individual provided that person has sufficient seniority, authority, governance responsibility, time, capacity and resources to do both roles properly.

**9.17** Duties of the *MLCP* include the dissemination of information received from the *Institute* with others in the *AML supervised firm*, including the *MLRO*, where appropriate.

#### **ANTI-MONEY LAUNDERING SUPERVISION**

**9.18** Anti-money laundering supervision is carried out by the *Institute* in relation to *AML supervised firms* through regular returns from *AML supervised firms* and through periodic inspections. Periodic inspections are carried out in accordance with the instructions of the *Committee* under chapter 4 of these *Regulations*.

#### **FEES**

**9.19** All *AML supervised firms* will be required to pay an annual regulatory fee for each year.

#### **DISCLOSURE OF INFORMATION**

**9.20** The *Institute* shall maintain a register of all current *AML supervised firms* which shall contain such details as the *Council* considers appropriate and which may be made available to the public on the website maintained from time to time by the *Institute*.

#### **DISCIPLINARY ARRANGEMENTS**

**9.21** The disciplinary arrangements of the *Institute* will apply to breaches of these *Regulations* by an *AML supervised firm* in the same way as they apply to breaches by a *member firm*.

## **CHAPTER 11 — ANTI-MONEY LAUNDERING (AML) AFFILIATES**

### **REGULATIONS FOR A TRANSITIONAL PERIOD TO ALLOW FOR THE AMALGAMATION OF THE INSTITUTE WITH THE CPA**

9.22 Each *CPA Authorised Firm* will, at the *Amalgamation Time*, be deemed to be an *AML Supervised Firm* in accordance with these *Regulations*.

9.23 *CPA Authorised Firm* will not be required to pay any fee, as set out under *Regulation 9.19*, for the year ended 31 December 2024.

~~11.1~~ An *AML supervised firm*, and any member who is a *principal* at an *AML supervised firm*, must ensure that any *principal* of the *AML supervised firm* who is not a member of the *Institute* has been granted *AML affiliate status* in accordance with these *Regulations*.

~~11.2~~ Regulation 11.1 applies in addition to any requirement for *principals* to hold *general affiliate, audit affiliate, investment business affiliate or insolvency affiliate status* of the *Institute* in accordance with, as the case may be, these *Regulations*, the *Audit Regulations*, the *Investment Business Regulations*, the *Designated Professional Body Handbook* or the *Insolvency Licensing Regulations*.

~~11.3~~ An *AML affiliate* shall not have any right or entitlement under the *Institute's Charter*, the *Principal Bye-Laws*, the *Disciplinary Bye-Laws* or any regulations or rules of the *Institute* save as expressly conferred by these *Regulations* and in particular, shall have no right to describe himself or herself as a Chartered Accountant or use the designatory letters ACA or FCA.

#### **APPLICATION FOR AML AFFILIATE STATUS**

~~11.4~~ An applicant for *AML affiliate status* under these *Regulations* shall submit an application and provide an undertaking in the form and manner prescribed by the *Institute* from time to time.

~~11.5~~ The *Committee* shall be responsible for determining applications for *AML affiliate status*. The *Committee* may:

- ~~(a)~~ grant the application;
- ~~(b)~~ reject the application;
- ~~(c)~~ grant the application subject to restrictions and/or conditions; or
- ~~(d)~~ postpone consideration of the application.

~~11.6~~ Restrictions and/or conditions may be imposed by the *Committee* in such terms as the *Committee* in its absolute discretion considers appropriate either at the time of grant of *AML affiliate status*, or at any time thereafter, if the *Committee* considers it appropriate to do so.

~~11.7~~ The *Committee* may grant *AML affiliate status* if the *Committee* is satisfied that the applicant:

- ~~(a)~~ is a *principal*, or has been offered the position of a *principal*, in an *AML supervised firm* and such has been confirmed in writing in a manner acceptable to the *Committee*;
- ~~(b)~~ is a fit and proper person to be granted *AML affiliate status*;
- ~~(c)~~ has agreed to comply with these *Regulations* and with all other obligations and liabilities of a member of the *Institute* and to be bound by the *Charter*, the *Principal Bye-Laws*, the *Disciplinary Bye-Laws* and other any other rules, *Regulations*, codes and standards of the *Institute*; and
- ~~(d)~~ has agreed to observe and uphold the *Code of Ethics*.

#### **FEEES**

~~11.8~~ An *AML affiliate* shall pay such fees as the *Institute* may determine from time to time.

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**LIABILITY TO DISCIPLINARY ACTION**

- 11.9 ~~The disciplinary arrangements of the Institute will apply to breaches of these Regulations by an AML affiliate in the same way as they apply to breaches by a member.~~
- 11.10 ~~An AML affiliate who makes any representation that he or she has any right or entitlement other than as conferred on him or her by these Regulations shall render himself or herself liable to disciplinary action.~~
- 11.11 ~~The Disciplinary Bye Laws shall apply to a complaint against an AML affiliate as they apply to complaints against members.~~
- 11.12 ~~An AML affiliate will remain liable to disciplinary action under these Regulations for any acts or omissions during the period in which AML affiliate status was held, even if no longer an AML affiliate.~~

**CESSATION OF AML AFFILIATE STATUS**

- 11.13 ~~AML affiliate status will cease if:
  - (a) ~~the firm of which the individual is a principal has ceased to be an AML supervised firm;~~
  - (b) ~~the individual has ceased to be a principal in the AML supervised firm to which his or her AML affiliate status related; or~~
  - (c) ~~AML affiliate status has been withdrawn by the Committee in accordance with Regulation 3.17.~~~~

**CHANGES IN CIRCUMSTANCES**

- 11.14 ~~The MLCP, an AML affiliate or an applicant for AML affiliate status must provide details in writing within ten business days of any change to information provided to the Institute in an application for AML affiliate status.~~

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