

**The**  
**ROYAL CHARTER OF INCORPORATION**  
**and**  
**BYE-LAWS**  
**of the**  
**INSTITUTE OF ACTUARIES**

Established in 1848  
and  
Incorporated by Royal Charter 29 July 1884

Including amendments approved by the Privy Council  
June 2009



# THE

## Royal Charter of Incorporation

# OF THE

## INSTITUTE OF ACTUARIES

Dated 29 July 1884 and amended by Supplemental Charter dated 29 January 1959 and variations allowed by Orders in Council dated 8 April 1968, 26 October 1988, 13 April 1999, 11 April 2006 and 4 April 2007.

***Victoria, by the Grace of God***, of the United Kingdom of Great Britain and Ireland, Queen, Defender of the Faith

TO ALL TO WHOM THESE PRESENTS SHALL COME GREETING

WHEREAS an humble Petition has been presented to Us in Our Council by THOMAS BOND SPRAGUE, MARCUS NATHAN ADLER, GEORGE WILLIAM BERRIDGE, CHARLES JOHN BUNYON, and RALPH PRICE HARDY, setting forth to the effect following:

That the Petitioner THOMAS BOND SPRAGUE is the President, and the Petitioners MARCUS NATHAN ADLER, GEORGE WILLIAM BERRIDGE, CHARLES JOHN BUNYON, and RALPH PRICE HARDY are the Vice- Presidents of an Association established in London in One thousand eight hundred and forty-eight called the Institute of Actuaries of Great Britain and Ireland.

That the Institute of Actuaries was established for the objects following, that is to say:

- (a) For the purpose of elevating the attainments and status and promoting the general efficiency of all who are engaged in occupations connected with the pursuits of an Actuary.
- (b) For the extension and improvement of the data and methods of the science which has its origin in the application of the doctrine of probabilities to the affairs of life, and from which life assurance annuity reversionary interest and other analogous institutions including Friendly Societies derive their principles of operation.
- (c) The consideration of all monetary questions involving separately or in combination the Mathematical doctrine of probabilities and the principles of interest.

That the Profession of Actuary is one requiring a wide and varied training in respect of the frequent employment of its Members in the several capacities of Expert Witnesses, Valuers and Advisers in matters relating to financial questions, particularly in reference to those numerous and important questions involving the scientific application of the doctrine of probabilities and the principles of interest.

That the Profession of Actuary is one which has already imposed upon it by various Acts of Parliament more particularly by the Life Assurance Companies Act 1870 and by the Friendly Societies Act 1875 and previous Act relating to Friendly Societies specific and important duties.

That the representative character of the Institute of Actuaries and the position which its Members occupy in relation to Public interests have been already recognized in the ways following:

- (a) In the year One thousand eight hundred and fifty-two the then Registrar of Friendly Societies consulted the Institute as to the preparation of Sickness and Mortality Tables from the Quinquennial Sickness and Mortality Returns made by Registered Friendly Societies under the Friendly Societies Act then in force.
- (b) In the year One thousand eight hundred and seventy-one the Board of Trade consulted the Institute with reference to the proper method of carrying out some of the details of the Life Assurance Companies Act 1870.
- (c) In the year One thousand eight hundred and seventy-four the then Chancellor of the Exchequer consulted the Institute with reference to certain provisions to be inserted in the Friendly Societies Act which was passed in the year One thousand eight hundred and seventy-five, and also with reference to the preparation of Tables for Friendly Societies.

That the profession of Actuary is one to which important matters are frequently referred by the Chancery Division of the High Court of Justice and other Legal and Administrative Departments of the State.

That the Institute of Actuaries aims at improving the status of Actuaries, providing means of Professional training and the interchange and dissemination of practical information thereby securing the better discharge of duties affecting interests of great importance.

That the Institute of Actuaries has already collected and published extensive data relating to Mortality Statistics and has also caused to be calculated therefrom and published various monetary Tables which have been largely adopted by the Life Assurance Institutions of this and other countries.

That the Institute of Actuaries has already by means of its published transactions known by the name of the *Journal of the Institute of Actuaries and Assurance Magazine* which in greater part consists of contributions from its own members during the last thirty-two years disseminated valuable information theoretical and practical with the result of constituting the said *Journal* the leading source of information in this and other countries on matters relating to the Profession of Actuaries.

That the Institute of Actuaries has already caused to be written and published for the use of the Profession of Actuaries and others, a Text-Book of the Principles of Interest including Annuities-Certain constituting the first part of a complete Treatise on Actuarial Science.

That the Institute of Actuaries has already by means of the important educational functions and system of examinations with which it has charged itself during the last thirty-two years including the establishment and superintendence of classes of instruction conducted by persons appointed by the Institute largely contributed to the better discharge of duties affecting interests of great importance.

That the Petitioners are advised and believe that the incorporation of the Members of the Institute of Actuaries under Our Royal Charter would tend greatly to the attainment of the objects which it has in view and would be fruitful of public advantage by enabling the Institute to take more effective measures for securing the adequate training of Actuaries in the duties of their calling and by according to the Institute a position by means of which it would be better able to exercise an influence towards maintaining a high standard of usefulness among the Members of the Profession.

That the Members of the Institute do not and cannot under its Bye-laws and Constitution derive any pecuniary benefit from their Membership.

AND WHEREAS by the said Petition, the Petitioners on behalf of themselves and the other Members of the said Institute of Actuaries most humbly prayed that We would be graciously pleased to grant Our Royal Charter for incorporating the Petitioners and others under the title of the Institute of Actuaries or such other title as to Us might seem fit, and with all such powers and privileges as to Us might seem fit.

AND WHEREAS the following persons namely: CHARLES ANSELL, GRIFFITH DAVIES, EDWARD DOCKER, HAROLD ENGELBACH, RICHARD CHARLES FISHER, JOHN GODDARD, FREDERICK HENDRIKS, JOHN ADAMS HIGHAM, SAMUEL INGALL, CHARLES MCCABE, JOHN GEORGE PRIESTLEY, JOHN WARE STEPHENSON, CHARLES STEVENS, WILLIAM HENRY TYNDALL, THOMAS BOORMAN WINNER, being Members of a collective body established in the year One thousand eight hundred and forty-eight under the name of The Actuaries' Club, and exercising the calling or Profession of Actuary, are desirous of becoming entitled to such privileges as may arise from the incorporation of the Members of the Institute of Actuaries under Our Royal Charter.

NOW THEREFORE, We having taken the said Petition into Our Royal consideration in Our Council and being satisfied that the intentions of the Petitioners are laudable and deserving of encouragement Have constituted, erected and incorporated and We by Our Prerogative Royal and of Our especial grace certain knowledge and mere motion by these Presents for Us and Our Royal Successors Do CONSTITUTE, ERECT and INCORPORATE into one body politic and corporate by the name of the INSTITUTE OF ACTUARIES the said THOMAS BOND SPRAGUE, MARCUS NATHAN ADLER, GEORGE WILLIAM BERRIDGE, CHARLES JOHN BUNYON, and RALPH PRICE HARDY, and such other persons as are by this Our Charter made or declared to be Members, or as shall hereafter be admitted as Members of that Body Corporate with perpetual succession and a Common Seal, and with power to alter and renew the same at discretion and with capacity by that name to sue and be sued.

AND WE DO WILL, ORDAIN AND DECLARE as follows (that is to say):

## PRELIMINARY

### 1. In this Our Charter:

THE INSTITUTE OF ONE THOUSAND EIGHT HUNDRED AND FORTY-EIGHT means the said Institute of Actuaries established in London in One thousand eight hundred and forty-eight.

MEMBERS OF THE ACTUARIES' CLUB means the persons hereinbefore mentioned by their respective names as being Members at the date of this Our Charter of the said Actuaries' Club.

THE INSTITUTE means the Institute of Actuaries incorporated by this Our Charter.

THE COUNCIL means the Council for the time being of the Institute.

GENERAL MEETING means a General Meeting of the Members of the Institute.

BYE-LAWS means Bye-laws of the Institute made under this Our Charter.

COMMENCEMENT OF THE BYE-LAWS means the time when the first Bye-laws made under this Our Charter come into operation.

MONTH means calendar month.

## OBJECTS

### 2. The objects of the Institute shall be:

- (a) in the public interest to promote knowledge and research in all matters relevant to actuarial science and its application;
- (b) to regulate the practice by its Members of the profession of actuary;
- (c) to promote, uphold and develop the highest standards of professional education, training, knowledge, practice and conduct amongst actuaries and in pursuance of this object to contribute, exclusively or with other organisations, to the development of codes of conduct and practice and guidance notes and standards of all kinds and to publicise the existence of such codes, guidance and standards, together with those developed by other relevant organisations for this purpose;
- (d) to promote the status of the actuarial profession and of those who are engaged in it in any capacity;
- (e) to be a regulatory body for the purposes of any legislation and when appropriate for such purposes to regulate or govern the carrying on of any activity or type of business by, or any aspect of the affairs of, actuaries, partnerships or unincorporated associations of which actuaries are members (whether with or without others), bodies corporate of which actuaries are members or directors (whether with or without others) and for purposes connected therewith; and
- (f) to do all such other things as may be considered to be incidental or conducive to the above objects or any of them.

## THE COUNCIL

3. There shall be a Council of the Institute chosen from Fellows of the Institute.

4. The first Members of the Council shall be the following (namely):

MARCUS NATHAN ADLER MA  
ARTHUR HUTCHESON BAILEY  
GEORGE WILLIAM BERRIDGE  
THOMAS GILLESPIE CHAPMAN BROWNE  
CHARLES JOHN BUNYON MA  
JAMES CHISHOLM  
GEORGE STEPHEN CRISFORD  
ARCHIBALD DAY  
ALEXANDER JOHN FINLAISON  
JOHN RALPH GRIMES  
MAJOR-GENERAL JOHN CAULFIELD HANNYNGTON  
RALPH PRICE HARDY  
WILLIAM HUGHES  
GEORGE HUMPHREYS MA  
GEORGE KING  
HENRY WILLIAM MANLY  
THOMAS MARR  
JAMES MEIKLE  
EDWARD ALGERNON NEWTON MA  
ARTHUR PEARSON  
HENRY WILLIAM PORTER BA  
ARTHUR SMITHER  
JAMES SORLEY  
THOMAS BOND SPRAGUE MA  
WILLIAM SUTTON MA  
ANDREW HUGH TURNBULL  
JAMES VALENTINE  
JOHN WHITCHER  
JOHN HILL WILLIAMS AND  
THOMAS EMLEY YOUNG BA

5. The first Meeting of the Council shall be held at Adelphi Terrace in the City of Westminster at five o'clock in the afternoon on the second Tuesday after the date of this Our Charter.

6. Bye-laws shall prescribe the number of Members of the Council and the mode of nomination of Candidates for election to the Council and the mode and times of and any other matters relating to the elections, including the first election and the mode of filling casual vacancies in the Council.

7. Bye-laws shall regulate the Meetings of the Council and prescribe the number of Members of the Council required to be present and acting thereat and regulate the proceedings thereat, and the adjournment thereof and the appointment of Committees and any other matters connected with the exercise and discharge of the powers and duties of the Council.

8. No act or proceeding of the Council shall be invalidated by any vacancy in the Council provided the number of Members of the Council be not reduced below one-half of the full number prescribed by Bye-laws.

**9.** The Council shall have the management and superintendence of the affairs of the Institute including the Examinations hereinafter mentioned, and the appointment, removal and remuneration (if any) of the Examiners in connection therewith and shall appoint and may remove and shall determine the duties, salaries and remuneration of the Secretary, Solicitors, Bankers, Clerks, Agents, and other Officers and Servants of the Institute and shall determine the Securities if any to be taken from any of them, and may make such arrangements and enter into such agreements with them as the Council thinks fit.

**10.** The Council may at Meetings exercise all powers of the Institute except as regards such matters as are by this Our Charter or by Bye-laws required to be transacted by or at a General Meeting.

**11.** The exercise of all powers for the time being vested in the Council shall be subject to the control of General Meetings, but so that the validity of anything done before any Resolution of a General Meeting shall not be affected by any such resolution.

#### **PRESIDENT AND VICE-PRESIDENTS**

**12.** There shall be a President and Vice-Presidents of the Institute and of the Council whose respective powers, duties and privileges (if any) shall be prescribed by Bye-laws.

**13.** The President and every Vice-President shall always be elected or appointed from among the Fellows.

#### **CLASSES OF MEMBERS**

**14.** The Members of the Institute shall be of five classes (namely):

- (1) Fellows;
- (2) Associates;
- (3) Students;
- (4) Honorary Fellows;
- (5) Affiliates.

#### **FELLOWS**

**15.** Every person who from time to time desires to become a Fellow shall, whether he is an Associate or not, be required to pass such Examination or Examinations as the Council prescribes, as well as to comply with such conditions (if any) as Bye-laws prescribe, subject nevertheless to the said Examination or Examinations being exceptionally dispensed with by the Council if it thinks fit in such cases on such conditions and in such manner as Bye-laws prescribe.

#### **ASSOCIATES**

**16.** Every person who from time to time desires to become an Associate shall be required to pass such Examination or Examinations as the Council prescribes as well as to comply with such conditions (if any) as Bye-laws prescribe, subject nevertheless to the said Examination or Examinations being exceptionally dispensed with by the Council if it thinks fit in such cases on such conditions and in such manner as Bye-laws prescribe.



## STUDENTS

**17.** There shall be eligible as Students persons of such qualifications and on such conditions as Bye-laws prescribe.

## HONORARY FELLOWS

**18.** Every person from time to time who by reason either of his position or of his eminence in Science and his experience in matters relating to the Profession of an Actuary appears to the Council to be able to render assistance in promoting the objects of the Institute shall be eligible as an Honorary Fellow on such conditions as Bye-laws prescribe.

## AFFILIATES

**19.** A person who possesses such qualifications as the Council may from time to time require shall be eligible as an Affiliate on such conditions as Bye-laws prescribe.

## EXAMINATIONS

**20.** Examinations required by or under this Our Charter shall be held and passed at such times in such manner and subject to such conditions as the Council prescribes.

## DECISION OF COUNCIL ON QUALIFICATIONS

**21.** The Council shall have power to decide conclusively respecting each person proposed for admission as a Fellow, Associate, Student, Honorary Fellow or Affiliate whether he has or has not fulfilled such conditions as are required by this Our Charter or are prescribed by Bye-laws.

## SUBSCRIPTIONS

**22.** Bye-laws shall prescribe the amount of subscription fees or other charges respectively payable from time to time by Fellows, Associates, Students and Affiliates.

## RIGHTS OF MEMBERS

**23.** A Fellow may use after his name the initials FIA, an Associate may use after his name the initials AIA and an Honorary Fellow may use after his name the letters Hon. FIA.

**24.** All Fellows of the Institute shall subject to any restrictions in Bye-laws be entitled to be present and vote at General Meetings and take part in the discussion of business thereat.

**25.** All Associates of the Institute shall subject to any restrictions in Bye-laws be entitled to be present and vote at General Meetings and take part in the discussion of business thereat provided nevertheless that Associates shall not be entitled to vote in the election of Fellows as prescribed by Bye-laws.

**26.** All Students of the Institute shall subject to any restrictions in Bye-laws be entitled to be present at General Meetings and take part in the discussion of business thereat provided nevertheless that Students shall not be entitled to vote except in such matters as Bye-laws prescribe.

**27.** Honorary Fellows and Affiliates shall subject to any restrictions in Bye-laws be entitled to be present at General Meetings and take part in the discussion of business thereat, but shall not be entitled to vote.

#### CESSER OF MEMBERSHIP

**28.** If any person ceases from any cause whatever to be a Member of the Institute, he shall not nor shall his representatives have any interest in or claim against the funds or Property of the Institute.

#### BYE-LAWS

**29.** The purposes for which the Institute may from time to time make Bye-laws in addition to any purpose in any other provision of this Our Charter indicated include the following (namely):

For regulating the election and admission of the several classes of Members of the Institute.

For regulating the amount and times of payment of entrance fees and other fees and subscriptions or other sums to be paid by Fellows, Associates, Students and Affiliates.

For regulating the mode, time and place of summoning and holding annual and other General Meetings and Special Meetings of the Institute and the mode of voting thereat whether in person or by Proxy, or by ballot, or by voting papers or otherwise, and the conduct of proceedings thereat.

For defining and regulating the privileges and benefits of the several classes of Members of the Institute.

For prescribing the cases, circumstances, conditions and manner in and on which a Member of the Institute may be excluded or suspended from Membership and any other penalties that may be imposed in cases of misconduct.

For enabling the Council to make rules requiring Members of the Institute to provide compensation, redress or reparation (whether monetary or otherwise and whether or not in favour of any complainant) in such circumstances as the Council considers appropriate.

For regulating the appointment of Trustees and their powers and duties and the disposal of the moneys and Property of the Institute.

For regulating the appointment, election, rotation and retirement of a Treasurer or Treasurers, Honorary Secretary or Secretaries, and of an Auditor or Auditors.

For enabling the Council to make rules relating to the certification, authorization or registration of Members of the Institute, partnerships or unincorporated associations of which they are members (whether with or without others) or bodies corporate of which they are members or directors (whether with or without others) when appropriate for the purposes of any legislation which regulates the carrying on of any activity or type of business, rules relating to any other matters specified in or arising out of or incidental to any such legislation and the delegation of functions concerned with the foregoing.

And generally such Bye-laws as from time to time seem to the Institute requisite for the better execution of this Our Charter and the furtherance of the objects of the Institute.

IN WITNESS whereof We have caused these Our Letters to be made Patent.

WITNESS Ourselves at Westminster the twenty-ninth day of July in the forty-eighth year of Our Reign.

***By Warrant under the Queen's Sign Manual.***

PALMER

# SUPPLEMENTAL ROYAL CHARTER

Dated 29 January 1959 and amended 13 April 1999.

***Elizabeth the Second by the Grace of God*** of the United Kingdom of Great Britain and Northern Ireland and of Our other Realms and Territories Queen, Head of the Commonwealth, Defender of the Faith.

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING!

WHEREAS Her Majesty Queen Victoria in the year of our Lord one thousand eight hundred and eighty-four by Royal Charter dated the twenty-ninth day of July in the forty-eighth year of Her Reign constituted the persons named or referred to therein a body politic and corporate by the name of the 'Institute of Actuaries' with perpetual succession and a common seal.

AND WHEREAS the said Institute of Actuaries (hereinafter referred to as 'the Institute') has presented a humble Petition to Us setting forth to the effect following:

THAT since the grant of the said Royal Charter (hereinafter referred to as 'the Original Charter') the Institute has pursued the objects of the Original Charter and has aimed at the elevation of the actuarial profession as a whole and the promotion of its efficiency and usefulness by compelling the observance of strict rules of conduct as a condition of membership and by setting up a high standard of professional and general education and knowledge and has thereby secured for the community the existence of a class of persons well qualified to be employed in the responsible duties relating to the profession of Actuary.

THAT since the grant of the Original Charter the number of Members of the Institute has greatly increased and is now about two thousand.

THAT since the grant of the Original Charter the duties and responsibilities of Members of the Institute have been extended and widened as a result of the growth and development of industry and commerce and the increasing diversity and complexity of all forms of social and economic activity.

THAT it is the belief of the Institute that by reason of the foregoing the furtherance of the objects for which the Institute was originally constituted and incorporated has become increasingly desirable in the public interest and the responsibilities of the Institute have become of greater importance than at the date of the grant of the Original Charter.

THAT it is also the belief of the Institute that the furtherance of the aforesaid objects would be facilitated and the public interest served if certain limits upon the operations of the Institute were extended and further powers and privileges granted to the Institute and if certain other variations were made in the provisions of the Original Charter and in the Bye-laws made thereunder.

AND WHEREAS the Institute has by the said Petition most humbly prayed that We would be graciously pleased to grant a Supplemental Charter for the purposes aforesaid.

NOW THEREFORE, We having taken the said Petition into Our Royal consideration by virtue of Our Royal Prerogative and moved thereto by Our desire to further the objects of the Institute for Ourselves, Our Heirs and Successors in addition to and notwithstanding anything to the contrary contained in the Original Charter have granted, ordained and declared and by these Presents are graciously pleased to grant, ordain and declare as follows:

1. The provisions of this Our Supplemental Charter shall henceforth operate and be read in conjunction with the provisions of the Original Charter and the Institute shall have capacity in law to take, purchase and hold any personal property and shall be authorized and for ever hereafter enabled to hold any messuages, buildings, lands and hereditaments and interests therein whatsoever within Our United Kingdom of Great Britain and Northern Ireland, and also shall have capacity in law to acquire any land, buildings or other premises within Our United Kingdom of Great Britain and Northern Ireland (including, but without prejudice to the generality of the foregoing, any feudal, allodial, statutory or leasehold title or interest in heritable property in Scotland) and to hold all or any such land, buildings or premises in perpetuity or on lease or otherwise, and from time to time but subject to all such consents as are by law required to grant, demise, alienate, mortgage, charge or otherwise dispose of or deal with the same or any part thereof, but so that the Institute shall apply its profits (if any) or other income wheresoever derived in promoting its objects and no portion thereof shall be paid or transferred directly or indirectly by way of bonus or otherwise howsoever by way of profit to its Members; provided that nothing herein shall prevent the payment, in good faith, for any service actually rendered to or on behalf of the Institute, of reasonable and proper remuneration or expenses to any officer or servant of the Institute or to any Member of the Institute or pensions or superannuation or other allowances to any such officer or servant or his dependants.

2. The Council of the Institute (hereinafter referred to as 'the Council') shall have power to apply the funds of the Institute for any purposes connected with the profession of Actuary and, in particular, in extending and improving the Hall, Offices, Library and other premises of the Institute and in the acquisition, renting or erection and fitting up of other halls, offices, libraries and premises for the use or benefit of the Members of the Institute and in the purchase or renting of a site or sites for any such purpose as aforesaid and in paying the salaries, remuneration and expenses of librarians, custodians, clerks and other officers and servants for any purposes of the Institute and in paying or providing for the payment of pensions or superannuation or other allowances to any such officers and servants or their dependants.

The Institute may continue in operation, establish, maintain, contribute to or assist charitable or benevolent funds or schemes for the benefit of necessitous Members or former Members or their dependants, and for the benefit of such other persons and for such other objects as may be thought expedient or desirable in the interests of the Members, officers or employees of the Institute, such funds to be kept apart from and administered separately from and independently of the funds of the Institute provided that no part of the funds of the Institute shall be applied for the purpose of such operation, establishment, maintenance, contribution or assistance without the sanction of a Resolution of a General Meeting.

Any expenditure for the purposes of or in connection with any of the objects in the Original Charter or in this Our Supplemental Charter mentioned may be incurred by the Institute either on its own behalf alone or in conjunction or collaboration with any other body or institution or with any person with a view to financing or operating any joint scheme for the promotion of any of the objects aforesaid.

3. Unless and until rescinded, varied or added to in accordance with the provisions of Article 4 of this Our Supplemental Charter, the Bye-laws appended to this Our Supplemental Charter shall, as from the date of this Our Supplemental Charter, constitute the Bye-laws of the Institute, and the Bye-laws made under the Original Charter are hereby rescinded.

4. The Institute, by Resolution of a Special General Meeting convened and held in accordance with the provisions contained in the Bye-laws relating to Special General Meetings and passed by a majority of not less than two-thirds of such Members as, being entitled so to do, vote thereon, may from time to time rescind, vary or add to the Bye-laws, or make new Bye-laws in their stead, but so that the Bye-laws for the time being in force be confined to the purposes for which the Institute may make Bye-laws under the Original Charter as varied by this Our Supplemental Charter and be not in any respect repugnant to or inconsistent with the provisions of the Original Charter, as so varied, or of this Our Supplemental Charter: Provided that no such rescission, variation, addition, or making of new Bye-laws, shall have effect until the same shall have been submitted to and allowed by the Lords of Our Most Honourable Privy Council of which allowance a certificate under the hand of the Clerk of Our Privy Council shall be conclusive evidence.

5. The Institute, by Resolution of a Special General Meeting convened and held in accordance with the provisions contained in the Bye-laws relating to Special General Meetings and passed by a majority of not less than three-fourths of such Members as, being entitled so to do, vote thereon, may alter, amend, or add to the Original Charter or this Our Supplemental Charter and such alteration, amendment or addition shall, when allowed by Us, Our Heirs or Successors in Council become effectual so that the said Original Charter and this Our Supplemental Charter shall thenceforth continue and operate as if they had originally been granted and made as so altered, amended or added to. This Article shall apply to this Our Supplemental Charter as altered, amended or added to in manner aforesaid.

IN WITNESS whereof We have caused these Our Letters to be made Patent.

WITNESS Ourselves at Westminster the twenty-ninth day of January in the seventh year of Our Reign.

***By Warrant under the Queen's Sign Manual.***

COLDSTREAM

# **THE INSTITUTE OF ACTUARIES**

ESTABLISHED IN 1848

AND

INCORPORATED BY ROYAL CHARTER 29 JULY 1884

## **BYE-LAWS**

As amended by Orders of the Privy Council dated 23 September 1965, 8 April 1968, 10 August 1971, 2 October 1975, 8 July 1976, 15 August 1977, 29 September 1978, 8 September 1980, 4 October 1982, 14 October 1985, 7 September 1987, 26 October 1988, 1 May 1990, 26 June 1991, 30 July 1992, 10 January 1995, 8 December 1995, 13 April 1999, 1 August 2000, 18 October 2002, 29 October 2003, 28 January 2004, 22 July 2004, 17 August 2005, 11 April 2006, 29 September 2006, 4 April 2007, 9 August 2007 and 12 June 2009.

### **I. PRELIMINARY**

1. By the Supplemental Royal Charter granted in the year 1959 it was ordained that these Bye-laws should from the date of the said Supplemental Royal Charter become and be the Bye-laws of the Institute to the exclusion of all previously existing Bye-laws.

2. In these Bye-laws:

`The Charter' means the above-mentioned Royal Charter granted on the 29th day of July 1884, as varied and added to by the said Supplemental Royal Charter and as from time to time altered, amended or added to under the provisions of such Supplemental Royal Charter.

`The Institute' means the Institute of Actuaries incorporated by the Charter.

`The Council' means the Council for the time being of the Institute.

`General Meeting' means a General Meeting of the Members of the Institute.

References to Members, Fellows, Associates, Students, Honorary Fellows and Affiliates are to be construed as having reference to Members, Fellows, Associates, Students, Honorary Fellows and Affiliates of the Institute.

The Interpretation Act 1978 shall apply to these Bye-laws in the same manner as it applies to an Act of Parliament.

## II. THE COUNCIL

3. Subject to the operation of the proviso to Bye-law 5(a) the number of Members of the Council shall be thirty, including the Officers, that is to say a President, Vice-Presidents who shall not be more than four in number, a Treasurer and at least two Honorary Secretaries. The Council may act notwithstanding any vacancy in its membership.

4. (a) The Officers shall go out of office as such at the close of the Annual General Meeting of the year for which they were elected and, except as provided by Bye-laws 30, 31, 32 and 33, shall be eligible for re-election.

(b) The Council shall, not less than seventy days before the Annual General Meeting in each year, elect:

- (i) from the Members of the Council or from former Members of the Council, the President for the ensuing year, and
- (ii) from the other Members of the Council the other Officers for the ensuing year.

Such Officers shall hold office from the close of such Annual General Meeting. Such election shall be conducted in such manner as the Council may from time to time prescribe. Provided that if any event shall occur between the date of such election and the Annual General Meeting which shall, in the opinion of the Council, render it impracticable or undesirable for any Member to hold the office to which he was elected the Council may revoke such election and elect in his place such other qualified Member of the Council or, in the case of the President, such other qualified Member or former Member of the Council as the Council may think fit.

5. (a) At every Annual General Meeting five Members of the Council (which number shall include any Members who shall have been appointed since the last preceding Annual General Meeting under Bye-law 6) shall retire and a sufficient number of Fellows shall be elected in manner hereinafter provided to fill the vacancies so arising and any casual vacancy which has arisen and has not been filled in accordance with Bye-law 6. The Members so to retire (apart from any who shall have been appointed as aforesaid under Bye-law 6) shall be chosen by the Council not less than seventy days before such Annual General Meeting, and the Members so chosen shall not be eligible for re-election before the Annual General Meeting next following that at which they retire, but any Member who retires by reason of having been appointed as aforesaid under Bye-law 6 shall be eligible for immediate re-election.

Provided that if the President for the ensuing year is elected from former or co-opted Members of the Council, then unless and until his election shall be revoked he shall automatically be a Member of the Council from the date of his election under Bye-law 4(b) and at the next Annual General Meeting he shall fill the vacancy arising from the retirement of one of the five Members of the Council.

(b) The Council shall, not less than sixty-three days before each Annual General Meeting, send to each Fellow and Associate a list of those persons who will retire under Section (a) of this Bye-law, distinguishing between those eligible and those not eligible for immediate re-election.



(c) The Fellows shall be entitled to nominate any Fellow or Fellows for election to the vacancies in the Council arising as aforesaid, but no nomination shall be valid unless it be supported by the written consent of the Fellow nominated to stand for election, signed by two Fellows, and lodged at the offices of the Institute not less than thirty-five days before the date of the Annual General Meeting.

(d) If sufficient nominations to fill all the vacancies in the Council arising as aforesaid be not so lodged, the Council shall nominate a sufficient number of Fellows to fill the remaining vacancies.

(e) The Council shall, not less than twenty-eight days before each Annual General Meeting, send to each Fellow and Associate:

- (i) A list of those Fellows elected under Bye-law 4 to be Officers of the Institute. Provided that where any Officer is elected under the proviso to Bye-law 4(b) and it is impracticable to include the name of such Officer in the said list his election shall be announced by the Chairman at the Annual General Meeting.
- (ii) A ballot paper for a postal ballot pursuant to Section (f) of this Bye-law containing the names of Fellows duly nominated to fill the vacancies in the Council arising as aforesaid, stating the names of the Fellows who signed each nomination and such further information as to each Fellow who has been nominated as the Council may determine, except that if no more candidates are nominated than there are vacancies to be filled a statement of this fact and the names of the Fellows so nominated shall be sent instead of a ballot paper.

(f) If no more candidates are nominated than there are vacancies to be filled the Chairman at the Annual General Meeting shall declare those nominated to be duly elected.

If more candidates are nominated for election than there are vacancies to be filled there shall be a postal ballot from among the said candidates. Each Fellow and Associate shall be entitled to vote in the ballot for as many candidates as there are vacancies to be filled. Ballot papers shall be returned to the Scrutineers so as to reach them not less than seven days before the Annual General Meeting. The ballot paper of any voter who votes for more candidates than there are vacancies to be filled, or who gives more than one vote to any one candidate, or who in the opinion of the Scrutineers fails in any material respect to have complied with the requirements for the ballot, shall be rejected by them. In the event of a candidate named in the ballot papers ceasing by death or otherwise to be a Fellow after the ballot papers have been prepared, the ballot papers shall not be invalidated and the election shall proceed with respect to the remaining candidates. The requirements for the ballot and the form of the ballot papers shall be determined by the Council subject always to the provisions of the Charter and of these Bye-laws.

(f)(f) The Council may authorise electronic voting in any postal ballot. Any member eligible to vote in such a postal ballot, may do so by electronic voting, if he so wishes.

Electronic voting shall be administered by the Scrutineers, who shall certify in writing to the Chairman of the Annual General Meeting not later than twenty-eight days before the date of the Annual General Meeting that the electronic voting procedures to be employed will safeguard the confidentiality of individual votes in the postal ballot and ensure that only members eligible to vote in the postal ballot are able to vote under these procedures.

All votes cast by electronic means shall be transmitted to the Scrutineers not later than the date on or before which voting papers in the ballot concerned must be received by the Scrutineers.

A member who has returned a voting paper in any postal ballot shall not vote electronically in that postal ballot, and a member who has voted electronically in a postal ballot shall not return a voting paper in that postal ballot. Any voting paper returned by a member who has already voted electronically, and any electronic vote of a member who has already returned a voting paper, will be deemed null and void and will not be counted for the purposes of the postal ballot.

(g) In these Bye-laws "Scrutineers" means such person, body of persons, or organisation as the Council may from time to time appoint. The Scrutineers shall be chosen by the Council not less than twenty-eight days before the Annual General Meeting. The Scrutineers shall be named on any ballot paper prepared in pursuance of clause (e) of this Bye-law.

The Scrutineers shall receive the ballot papers and shall report the result of the voting to the Chairman of the Annual General Meeting stating (among other things) what ballot papers have been rejected wholly or in part and for what reasons. Those candidates for the number of the vacancies to be filled who receive the most votes shall be elected, but in the event of an equality of votes the Chairman shall have a casting vote or votes. The announcement of the Chairman as to the result of the ballot shall be final and conclusive.

(h) The Members of the Council retiring at an Annual General Meeting shall do so at the close of the Annual General Meeting, and any Fellows elected to be Members of the Council as hereinbefore provided shall take office at the close of such Meeting.

(i) A Member of the Council may resign as a Member of the Council by notice in writing to the Council and from the date such notice is delivered to the President or one of the Honorary Secretaries, or such later date as may be specified in the notice, he shall cease to be a Member of the Council.

**6.** Any casual vacancy occurring in the office of President, or among the Vice-Presidents, or in the offices of Treasurer or Honorary Secretary, or among other Members of the Council for the time being, may be filled by the Council, and the appointment or appointments so made shall continue in force until the close of the next Annual General Meeting.

In the event of a casual vacancy in the Council not being filled by the Council under the provisions of this Bye-law, arrangements shall be made by the Council for such vacancy to be filled at the next Annual General Meeting after the vacancy arises in accordance with the provisions of Bye-law 5.

### III. PROCEEDINGS AND POWERS OF THE COUNCIL

**7.** The Ordinary Meetings of the Council shall be held at such times and places as the Council may from time to time determine.

**8.** Special Meetings of the Council shall at any time be called by order of the President, or of any two Vice-Presidents, or of the Honorary Secretaries, or at the request of any five Members of the Council.

**9.** Notice of Ordinary and Special Meetings of the Council shall be sent to each Member of the Council, at his usual or last known address. It shall not be necessary in any case to prove that such notice has been delivered or sent, but the same shall be taken as delivered or duly sent, unless the contrary be shown, and the non-receipt of any notice by any Member or Members of the Council shall not invalidate the proceedings of any Meeting of the Council. Such notice shall be as ample as the circumstances will permit, but shall in no case be of less than twenty-four hours' duration.

**10.** At all Meetings of the Council, the President, and in his absence, the senior Vice-President present, shall be Chairman; and in the absence of the President and the Vice-Presidents, the Chairman shall be elected from among those present.

**11.** At all Meetings of the Council, in the event of difference of opinion, the majority shall rule the minority, except where otherwise required by the Charter or by these Bye-laws, but a ballot may in all cases be demanded by any Member, and in case of an equality of votes, the Chairman shall have a casting vote in addition to his original vote.

**12.** Subject to the provisions of these Bye-laws, the number of Members of the Council present and acting, requisite for the transaction of business, shall be ten.

**13.** The Chairman of any Meeting of the Council may, with the consent of the Meeting, adjourn the Meeting from time to time, and from place to place. Unless otherwise directed by the Meeting, no notice need be given under Bye-law 9 of an adjourned Meeting, except as provided under Bye-law 69.

**14.** Subject to the provisions of the Charter and of these Bye-laws, the Council may appoint Committees from among Members of the Council or other Members of the Institute or such other persons as the Council may think fit, with such powers as may be necessary or convenient for the purposes for which the Committee is appointed, and may fix the quorum thereof, and may lay down rules for regulating their proceedings.

**15.** Minutes shall be made in proper books, to be provided for the purpose, of all resolutions and proceedings of Meetings of the Council, and of the Committees thereof, and every Minute signed by the Chairman of the Meeting to which it relates, or by the Chairman of a subsequent Meeting, shall be sufficient evidence of the facts therein stated.

**16.** The Council shall maintain a list of Members of the Institute and shall distinguish in such a way as shall to the Council seem fit the various classes of Members, namely, Fellow, Associate, Student, Honorary Fellow and Affiliate, and the Council shall, at intervals of not more than three years, publish such list or cause the same to be published, together with such other particulars in respect of the Institute or its objects as the Council may deem advisable, and shall supply the same to Members and others gratuitously or at such prices as the Council shall from time to time determine.

**17.** To assist the Council in maintaining its records each Member shall in each year, within a time to be fixed by the Council, send to Staple Inn Hall his name and address and such other information as the Council may reasonably require. If a Member fails to comply with this Bye-law the Council shall make such entry in its records relative to such Member as can be made from the information in its possession at the expiration of such time.

**18.** The Council shall have the management and control of the funds of the Institute, and may invest all funds not needed immediately for the ordinary purposes of the Institute in the name of the Institute, or in cases where the Council may think fit, in the names of Trustees to be appointed by the Council, in such securities as the Council may determine, with power to sell or vary such securities in such manner as the Council shall determine.

**19.** Notwithstanding anything herein contained, the Council may from time to time borrow money and pay interest thereon.

**20.** Subject to the provisions of the Charter and of these Bye-laws the Council shall generally have the management and control of the affairs of the Institute. The Council may apply the funds of the Institute for all such purposes.

**21.** The Council may pay out of the funds of the Institute the reasonable expenses properly incurred by the President, Vice-Presidents or other Officers or Members of the Council of attending meetings in his or their official capacity for or on behalf of the Institute, and may pay to any other persons (whether Members of the Institute or not) such reasonable expenses as may be properly incurred by them in connection with the affairs of the Institute.

**22.** The Council shall from time to time make regulations with regard to the use of the Library of the Institute by the Members of the Institute and such other persons as the Council may think fit to admit.

**23.** The Council shall have the entire management and control of the publication of the transactions of the Institute, to be published under such appropriate names as the Council may from time to time think fit; and may appoint an Editor or Editors, with or without other persons with appropriate titles to assist, with such powers necessary or convenient for the management of the said transactions as it may from time to time think fit, and shall determine their duties, salaries and remuneration, and may make such arrangements and enter into such agreements with them as it may think fit. The said transactions shall be published at such times and under such conditions as to circulation and charges in connection therewith as to the Council may seem fit.

**24.** All papers, memoirs, letters, reports or other communications on subjects of theoretical or practical interest to the profession proposed to be read at the Ordinary General Meetings of the Institute shall be first submitted to a committee duly authorised by Council, which shall decide on their fitness to be read, and at the same time, or subsequently, shall decide on their fitness to be inserted in the transactions.

**25.** Any such paper, memoir, letter, report or other communication submitted to the Council to be read at an Ordinary General Meeting, upon being so read and in the absence of any special agreement to the contrary, shall become the property of the Institute for the ensuing two years, and in the event, but not otherwise, of its publication in the transactions within the said period of two years, it shall become forthwith the absolute property of the Institute.

Provided that in the event of any paper, memoir, letter, report or other communication being produced under the aegis of the Institute jointly with another person or professional body, every such paper, memoir, letter, report or other communication shall, in the absence of any agreement to the contrary, become forthwith upon such reading or publication the absolute property of the Institute jointly with the said person or other professional body.

Any communication submitted only for publication in the transactions, if accepted, shall become the property of the Institute for the two years following the date of acceptance and in the event, but not otherwise, of its being so published within the said period of two years it shall become forthwith the absolute property of the Institute.

**26.** The Council shall every year prepare, or cause to be prepared, a statement of the income and expenditure of the Institute for the year ending on the last day of February or for a period ending on such other date as the Council may determine, and of its liabilities and assets at that date; and such statement, after having been verified and signed by the Auditor or Auditors, shall be laid before the next Annual General Meeting, together with any report thereon made by the Auditor or Auditors.

**27.** The Council shall draw up a report on the affairs of the Institute and the past year's transactions, which shall be submitted to the next Annual General Meeting.

**28.** The Council shall have the custody of the Common Seal, which shall only be used by the authority of the Council and in accordance with such regulations as the Council shall from time to time prescribe.

**29.** Every instrument to which the Common Seal shall be affixed shall be signed by a Member of the Council and shall be countersigned either by a second Member of the Council or by a member of the Institute's staff so authorized by the Council.

#### IV. OFFICERS OF THE INSTITUTE

##### THE PRESIDENT

**30.** The President shall preside by right at all General Meetings and at all Meetings of the Council at which he is present. In case of an equality of votes, either at a General Meeting or a Meeting of the Council, he shall have a second or casting vote. The President for any year shall be eligible for re-election for the ensuing year, provided always that no Fellow shall be elected President more than two years in succession, and that any Fellow who has been President for two years in succession shall not be eligible for that office again for a period of two years.

##### THE VICE-PRESIDENTS

**31.** The Vice-Presidents shall be not more than four in number. In the absence of the President from any General Meeting or meeting of the Council, the senior Vice-President present shall preside, and be for the time being invested with the President's powers. Not more than three of the Vice-Presidents for any year shall be re-elected for the ensuing year, provided always that no Fellow shall be elected Vice-President more than four years in succession.

#### THE TREASURER

**32.** The Treasurer shall be responsible for the receipt of all moneys due to the Institute, for payment of these moneys to the Institute's bankers and for the authorisation of payments by the Institute. The Treasurer may, with the prior consent of the Council, delegate any of his powers or duties to such person or persons as may be thought fit, but such person or persons shall, in the exercise of the powers or duties so delegated, conform to any regulations that may be imposed upon them or upon the Treasurer by the Council. The Treasurer for any year shall be eligible for re-election for the ensuing year, provided always that no Fellow shall be elected Treasurer more than four years in succession.

#### THE HONORARY SECRETARIES

**33.** The Honorary Secretaries shall be at least two in number, one at least of whom shall attend the General Meetings and Meetings of the Council. In the absence of all the Honorary Secretaries, the Chairman of a Meeting shall nominate a deputy Honorary Secretary for the purpose of that Meeting.

**34.** An Honorary Secretary shall be eligible for re-election for the ensuing year, provided always that no Fellow shall be elected Honorary Secretary more than four years in succession.

### V. CLASSES OF MEMBERS, THEIR RIGHTS AND PRIVILEGES

#### FELLOW

**35.** Except as provided in these Bye-laws no person shall be admitted as a Fellow unless he shall have passed or, as provided in Bye-law 61, have been deemed to have passed the Examination or Examinations declared by the Examination Regulations to appertain to the class of Fellow and shall have acquired or in circumstances to be determined by the Council shall be deemed to have acquired such skills in matters relating to the profession of Actuary as the Council may from time to time prescribe.

**36.** In the case of a candidate whose experience in matters relative to the profession of Actuary is such as to render him, in the opinion of the Council, worthy of election to the class of Fellow the Council shall have power to dispense with the aforesaid Examination or Examinations provided that not less than two-thirds of the whole Council shall vote in favour of such dispensation, and that the election of any such candidate for a Fellowship shall be subject to the provisions of Bye-law 50.

**37.** Every Fellow shall be eligible as a Member of the Council, and for appointment to all offices of the Institute, and entitled to all its rights and privileges, subject to the provisions of the Charter and of these Bye-laws.

#### ASSOCIATE

**38.** Except as provided in this Bye-law no person shall be admitted as an Associate unless he shall have passed or, as provided in Bye-law 61, have been deemed to have passed the Examination or Examinations declared by the Examination Regulations to appertain to the class of Associate and shall have acquired or in circumstances to be determined by the Council shall be deemed to have acquired such skills in matters relating to the profession of Actuary as the Council may from time to time prescribe.

**39.** Every Associate shall be eligible for appointment to such offices of the Institute as these Bye-laws prescribe, and entitled to all its rights and privileges, subject to the provisions of the Charter and of these Bye-laws.

#### STUDENT

**40.** No person shall be admitted as a Student unless he shall have passed, or as provided in Bye-law 61, have been deemed to have passed the Examination or Examinations declared by the Examination Regulations to appertain to the class of Student or shall have attained such a standard of education as the Council may from time to time determine to be appropriate to the class of Student.

**41.** All Students shall have the privilege of attending General Meetings of the Institute, but shall not be qualified to vote thereat, or in connection therewith. Students attending a General Meeting may take part in the discussion, but, if the Meeting be either an Annual or a Special General Meeting, only on the invitation of the President, or other Chairman for the time being.

**42.** Subject always to such conditions and limitations as the Council may from time to time think fit to prescribe, Students shall be entitled to the use of the Library, and of the accommodation afforded by the rooms or offices of the Institute.

#### HONORARY FELLOW

**43.** A person who, either on account of his position, or of his eminence in science and his experience in matters relating to the profession of an Actuary, appears to the Council to be able to render assistance in promoting the objects of the Institute, shall be eligible for election as an Honorary Fellow. No such person shall be recommended by the Council for election as an Honorary Fellow unless at least two-thirds of the whole Council shall vote in favour of such recommendation, and the election of any person as an Honorary Fellow shall be subject to the provisions of Bye-law 57.

**44.** All Honorary Fellows shall have the privilege of attending General Meetings, and may take part thereat in the discussions following the reading of papers, memoirs, letters or other contributions, but shall not be qualified to vote. They shall be entitled to make use of the Library and of the accommodation afforded by the rooms or offices of the Institute.

#### AFFILIATE

**45.** A person who possesses such qualifications as the Council may from time to time require may be admitted as an Affiliate without examination.

**46.** Affiliates shall, subject to the provisions of the Charter and of these Bye-laws, have the same rights and privileges as Honorary Fellows.

## DETERMINATION OF MEMBERSHIP

**47.** The Council may, in its absolute discretion (and without being required to assign any reason therefor), resolve to determine the membership of a Student, Honorary Fellow or Affiliate, but no such resolution shall be valid unless at least two-thirds of the whole Council shall vote in favour thereof. Determination of such membership shall become effective from the date of the resolution. Notice of the Council's decision shall be sent to the Student, Honorary Fellow or Affiliate at his usual or last known address and the non-receipt of any notice shall not invalidate such determination.

## VI. ADMISSION OF MEMBERS

### A. TRANSFER, ELECTION AND ADMISSION OF FELLOWS AND ASSOCIATES

**48.** In the event of a Student having passed or, as provided in Bye-law 61, having been deemed to have passed the Examination or Examinations declared by the Examination Regulations to appertain to the class of Associate in his case having acquired such skills in matters relating to the profession of an Actuary as is provided for in Bye-law 38, and having completed a Professionalism Course approved by the Council, the Council, upon his making application in a form to be prescribed by the Council, and upon payment of any entrance fee and any additional subscription prescribed by or under these Bye-laws, shall (subject to the provisions of the Charter and these Bye-laws) cause him to be transferred to the class of Associate.

**49.** In the event of an Associate or Student having passed or, as provided in Bye-law 61, having been deemed to have passed the Examination or Examinations declared by the Examination Regulations to appertain to the class of Fellow, having acquired such skills in matters relating to the profession of Actuary as is provided in Bye-laws 35 and 36, the Council, upon his making application in a form to be prescribed by the Council, and upon payment of any entrance fee and any additional subscription prescribed by or under these Bye-laws, shall (subject to the provisions of the Charter and these Bye-laws) cause him to be transferred to the class of Fellow.

**50.** In cases where the Council, in pursuance of Bye-law 36, has decided to dispense with Examination, Fellows shall be elected by ballot at Ordinary General Meetings, provided always that only Fellows shall vote; and the procedure shall be as follows:

- (a) A candidate for admission as a Fellow of the Institute without Examination shall be proposed by the Council in a form to be prescribed by the Council, in which form the full name, place of business (if any), usual residence and qualifications of the candidate shall be specified.
- (b) The notice of a ballot and form of proxy shall be sent to each Fellow not less than twenty-eight days before the Ordinary General Meeting at which the ballot is to be held. Each Fellow shall be entitled to vote either at the meeting or by proxy. Proxy votes shall be returned to the President by no later than three days before the Ordinary General Meeting. The number of votes required for election shall be at least three-fourths of the number voting.
- (c) In the event of the candidate being elected, he shall be required to sign the form of obligation to be prescribed by the Council and (subject to the provisions of Bye-law 66) to pay the entrance fee on admission and annual subscription of a Fellow prescribed by or under these Bye-laws.



**51.** In these Bye-laws, an EC actuary shall mean a person who:

- (a) holds qualifications which entitle him to pursue the profession of actuary in one of the other member states of the European Community or European Economic Area or Switzerland; and
- (b) is entitled to apply for admission to membership of the Institute pursuant to:
  - (i) the European Communities (Recognition of Professional Qualifications) Regulations 1991 or the European Communities (Recognition of Professional Qualifications) (Second General System) Regulations 1996 (together "The Regulations"); or
  - (ii) in the case of Switzerland, any agreement made by the Institute for that purpose.

**52.** Notwithstanding any other provisions in these Bye-laws, the Council shall from time to time prescribe such arrangements as it shall think fit for the admission of an EC actuary as a Fellow. Such arrangements:

- (a) shall dispense an EC actuary from the Examination or Examinations and from the experience requirements referred to in Bye-laws 35 and 36;
- (b) shall empower the Council to require the EC actuary to complete an adaptation period or to take an aptitude test (as such terms are defined in the Regulations), provided that no such period or test shall exceed the limits or nature permitted by the Regulations.

**53.** Subject to satisfactory completion of all requirements properly imposed upon him by the Council which are consistent with the objectives of the Regulations or any agreement made by the Institute under Bye-law 51(b)(ii), the Council shall admit an EC actuary as a Fellow without any ballot (or shall cause him to be transferred to the class of Fellow in the case of an EC actuary who is already an Affiliate), provided that he signs the form of application and obligation prescribed by the Council and pays the entrance fee and annual subscription of a Fellow prescribed by or under these Bye-laws.

**54.** Notwithstanding any other provisions in these Bye-laws, the Council may enter into mutual recognition agreements with overseas actuarial bodies which specify appropriate criteria for a member of such body to apply to be admitted as a Fellow. The Council may admit such a member as a Fellow without the Examination or Examinations or the experience requirements referred to in Bye-laws 35 and 36 and without any ballot in General Meeting (or cause him to be transferred to the class of Fellow if he is already an Affiliate) provided that he signs the form of application and obligation prescribed by the Council and pays the entrance fee and annual subscription of a Fellow prescribed by or under these Bye-laws.

**55.** The form of application and/or obligation to be completed by every person seeking admission or transfer to the class of Fellow shall include an undertaking on the part of the applicant to attend a Professionalism Course approved by the Council or by a person or committee authorised by the Council within twelve months of the applicant being admitted as a Fellow (or within such longer period as the Council or any person or committee authorised by the Council may allow to take account of any special circumstances applying to any individual applicant). The breach by any Fellow of his undertaking to attend a Professionalism Course as aforesaid shall be referred to an Honorary

Secretary in terms of Rule 11.1 of the Schedule to these Bye-laws as *prima facie* evidence of Misconduct as provided for in Rule 1.12(b) of the said Schedule.

#### B. ADMISSION OF STUDENTS

**56.** A person desirous of being admitted into the Institute as a Student shall complete a form of application and obligation as prescribed by the Council. No person shall be deemed eligible as a Student unless he shall give such evidence of his educational fitness as the Council may from time to time prescribe.

The application shall be delivered to the Honorary Secretaries of the Institute and submitted by them to the Council and, if approved by the Council, the applicant shall be admitted as a Student after he has paid the entrance fee and subscription prescribed by or under these Bye-laws.

#### C. ELECTION OF HONORARY FELLOWS

**57.** A person recommended by the Council for election as an Honorary Fellow shall be proposed in a form to be prescribed by the Council which, together with notice of a ballot and form of proxy, shall be sent to each Fellow and Associate not less than twenty-eight days before the Ordinary General Meeting at which the ballot is to be held. Each Fellow and Associate shall be entitled to vote either at the meeting or by proxy. Proxy votes shall be returned to the President by no later than three days before the Ordinary General Meeting. The number of votes required for election shall be at least three-fourths of the number voting.

#### D. ADMISSION OF AFFILIATES

**58.** The Council, upon the application of a person to become an Affiliate in a form to be prescribed by the Council and upon payment of any entrance fee and any additional subscription prescribed by or under these Bye-laws, shall (subject to the provisions of the Charter and these Bye-laws) cause him to be admitted as an Affiliate.

In the event of a Member or former Member having gained such actuarial qualifications as the Council may from time to time require for this purpose, the Council, upon his making application in a form to be prescribed by the Council and upon payment of any entrance fee and any subscription or additional subscription prescribed by or under these Bye-laws, shall have power in its discretion (subject to the provisions of the Charter and these Bye-laws) to cause him to be transferred or admitted as an Affiliate. Notwithstanding any other provisions of these Bye-laws, if any Member or former Member has been transferred or admitted as an Affiliate under this Bye-law, the Council shall have power in its discretion to cause him to be retransferred to his previous class of membership upon his making application in a form to be prescribed by the Council and upon payment of any entrance fee and any additional subscription prescribed by or under these Bye-laws.

## MENTAL ILLNESS

**59.** (a) If a Member by reason of mental disorder, severe mental impairment, mental impairment or psychopathic disorder is:

- (i) admitted to or detained in a hospital pursuant to section 3 of the Mental Health Act 1983; or
- (ii) received into guardianship pursuant to section 7 of the Mental Health Act 1983 or is a patient whose assets or affairs are subject to an order or direction under sections 95, 96 or 99 of the Mental Health Act 1983; or
- (iii) in equivalent circumstances in any other relevant jurisdiction is subject to a like provision to any of those described above,

the Council shall place the Member on a list of Members with non-working status (referred to in these Bye-laws as “the non-working list”) for so long as that circumstance continues.

- (b) If a Member to whom Bye-law 59(a) above does not apply is suffering from mental disorder and is unable to practise as a result, he or she may apply to the Council to be placed on the non-working list, and the Council may on being satisfied of the basis of such application place the Member on the non-working list.
- (c) Notwithstanding any other provision in these Bye-laws (including in particular Bye-laws 37, 39, 41, 42, 44 and 46) a Member on the non-working list will not be entitled to any privileges of membership of the Institute or to vote or hold offices of the Institute.
- (d) A Member who has been placed on the non-working list in pursuance of an application under Bye-law 59(a) or (b) above may subsequently apply for removal from that list, and the Council shall grant such an application where it is satisfied by such medical or other evidence as it may require of the Member’s fitness to resume the privileges of membership of the Institute.

## VII. EXAMINATIONS

**60.** Subject to the provisions of the Charter and of these Bye-laws and for the purpose of promoting the objects of the Institute, the Council shall cause such Examinations to be held as it may think fit, and shall prepare and publish Examination Regulations to define the cases and circumstances in which the said Examinations shall severally apply, the periods at which they shall be held, the subjects which they shall respectively comprise, the fees, if any, which shall be paid or deposited by candidates in respect of such Examinations and the nature of the certificates, if any, to be granted to successful candidates; and the Council shall have power to vary, rescind or add to any of the said Examination Regulations as it may from time to time think fit.

**61.** The Council shall have power if it thinks fit to provide under the Examination Regulations for the granting of exemption from portions (but not the whole) of the Examinations to any applicant who shall give such evidence of eligibility for such exemption and pay or deposit such fees as the Council may from time to time prescribe in such Examination Regulations, and any applicant granted such exemption will be deemed to have passed those portions of the Examinations in respect of which exemption is granted.

## VIII. FEES AND SUBSCRIPTIONS

- 62.**(a) Subscriptions shall relate to a subscription year, being a period of twelve months commencing (unless the Council shall otherwise determine) on each first day of October. Subject to paragraph (b) of this Bye-law, subscriptions shall be due and payable on the first day of the relevant subscription year.
- (b) A Member may pay his subscription and any relevant surcharges by any such alternative methods as are agreed by the Council.
- (c) If the subscription of any Member is not paid by the due date, he will be required to pay such late payment surcharges as are determined by the Council.
- (d) If the subscription or any surcharges of any Member are not paid within such period as agreed by the Council, the Member shall cease to be a Member unless the Council in its discretion decides otherwise.

**63.** The following general provisions shall apply in relation to entrance fees and subscriptions:

- (a) The entrance fees and subscriptions payable under Bye-laws 64 to 67 shall not exceed such limits as shall be prescribed from time to time by the Members at an Annual or Special General Meeting.
- (b) The Council may by regulation make such provision from time to time as it may think fit for the commutation of future subscriptions by Fellows, Associates, Students or Affiliates.
- (c) In the case of a Student or Affiliate being admitted, or of an Associate or Fellow being admitted or transferred, during the last four months of any subscription year, the Council may in its discretion waive payment of the annual subscription or part thereof for such subscription year.
- (d) The Council may in its discretion waive or reduce the annual subscription payable by any Member:
- (i) who has retired permanently from regular practice or employment; or
  - (ii) where special circumstances arise.
- (e) The Council may in its discretion waive or reduce the entrance fee payable by any Member on transfer from another class of membership.
- (f) The Council may in its discretion reduce any subscription of a Fellow, an Associate or an Affiliate who is shown to its satisfaction to be ordinarily resident outside the European Union on the date when a subscription falls due.

**64.** Every person making application to be admitted into the Institute as a Student shall, not later than at the time of making such application, pay an entrance fee of such sum as the Council may from time to time prescribe.

Every Student shall pay for the subscription year in which he is admitted and for subsequent subscription years an annual subscription of such sum as the Council may from time to time prescribe not exceeding that for the class of Associate.

**65.** Every Associate shall pay on admission or transfer an entrance fee of such sum as the Council may from time to time prescribe.

Every Associate shall pay for the subscription year in which he is admitted or transferred and for subsequent subscription years an annual subscription of such sum as the Council may from time to time prescribe not exceeding that for the class of Fellow.

**66.** Every Fellow shall pay on admission or transfer an entrance fee of such sum as the Council may from time to time prescribe.

Every Fellow shall pay for the subscription year in which he is admitted or transferred and for subsequent subscription years an annual subscription of such sum as the Council may from time to time prescribe.

The Council shall have the power in its discretion to exempt from the payment of entrance fee and annual subscription a Fellow elected in accordance with the provisions of Bye-law 50.

**67.** Every Affiliate shall pay on admission an entrance fee of such sum as the Council may from time to time prescribe.

Every Affiliate shall pay for the subscription year in which he is admitted and for subsequent subscription years an annual subscription of such sum as the Council may from time to time prescribe not exceeding that for the class of Associate.

**68.** Until a member shall have paid all the arrears of his fees and subscriptions, and given notice of resignation in writing to Staple Inn Hall, he shall be considered liable for all fees and subscriptions due from him under these Bye-laws. The Council may, at its discretion, remit the whole or any part of such arrears where a Member or former Member of any class is transferred to the class of Affiliate.

## **IX. DISCIPLINARY POWERS**

**69.** The provisions of the Disciplinary Scheme set out in the Schedule to these Bye-laws shall form part of these Bye-laws and may be rescinded, varied or added to accordingly.

## **X. REINSTATEMENT OF MEMBERS**

**70.** In the event of a person who has ceased to be a Member making a written application to the Council expressing his desire to be reinstated as a Member of the class to which he formerly belonged, the Council may, if it thinks fit, cause him to be so reinstated upon such terms and conditions as it may prescribe. The Council may cause notice of such reinstatement to be given to such persons and otherwise published as it thinks fit.

## XI. INVESTMENT BUSINESS

### 71. In this Part XI:

- (a) 'the Act' means the Financial Services and Markets Act 2000 (including any amendment, re-enactment or replacement thereof);
- (b) 'licensed person' means an individual, body corporate, partnership or unincorporated association to whom the Institute issues a licence under rules made pursuant to Bye-law 72; and
- (c) words and expressions defined in the Act have the same meanings unless the context otherwise requires.

### 72. The Council may from time to time make, revoke, vary or add to rules which do, or are intended to do, any or all of the following:

- (a) relate to the eligibility for, grant, suspension, surrender or withdrawal of licences in respect of regulated activities under the Act and/or the provision of professional services (which term in this Part XI includes all services provided by a licensed person), including but without limitation to authorised persons, and to persons desiring to make use of the exemption from the general prohibition in Part XX of the Act;
- (b) impose limits on the kinds of regulated and other activities which may be carried on by licensed persons and the circumstances in which they may carry on such activities;
- (c) specify the terms of licences and the variation or waiver thereof;
- (d) govern the carrying on and conduct of regulated activities and the provision of professional services by licensed persons including (without prejudice to the generality of the foregoing) in any of the ways described in Part XX of the Act, require a licensed person to make disclosures to clients and others, including if relevant that he is not an authorised person, require licensed persons to have and maintain such financial resources as are required by such rules, enable a person who has entered or offered to enter into an investment agreement with a licensed person to rescind the agreement or withdraw the offer within such period and in such manner as may be prescribed by such rules, require licensed persons to give the Institute (or any person or body to whom it delegates any of its functions) such information as is specified in such rules, specify training and competence requirements, provide for arrangements concerning indemnity against any claim incurred by a licensed person in connection with regulated activities or professional services, establish or extend schemes for compensating investors or other persons in cases where persons who are or have been licensed persons (or certified persons under any predecessor of the Act) are unable, or likely to be unable, to satisfy claims in respect of civil liability incurred in connection with regulated activities or professional services, regulate the dealing with complaints against licensed persons, provide for redress for persons who suffer loss as a result of misconduct by licensed persons, and regulate the holding by licensed persons of clients' moneys or property and the making of and consequences of financial and investment promotions;
- (e) provide for the monitoring and enforcement of compliance by licensed persons with the conditions set out in section 327 of the Act and with the rules of the Institute relating to licences and to the carrying on or conduct of regulated activities or professional services including disciplinary processes;
- (f) provide for disciplining Members who manage or control a licensed person;
- (g) provide for requiring the provision of compensation, reparation or redress (whether monetary or otherwise, and whether or not in favour of

- (h) any complainant) by licensed persons;
- (h) provide on such terms as may be thought fit (including terms as to indemnity or exemption from liability) either for the functions of the Institute under such rules to be performed by committees or tribunals established by the Institute or individuals who are Members or employees of the Institute or for them to be performed by (and, in the case of any of such functions, to be the responsibility of) a body or person independent of the Institute and, if the Council thinks fit, enable any such committees, tribunals, individuals, bodies or persons to sub-delegate any such functions (on such terms as aforesaid);
- (i) provide for the investigation by the Institute of complaints relating to the carrying on by licensed persons of regulated activities or professional services;
- (j) promote, require and maintain high standards of integrity, fair dealing and due skill, care and diligence by licensed persons in the carrying on of regulated activities or when providing professional services;
- (k) provide for co-operation by the Institute (or any committee, tribunal, individual, body or person to which the Institute delegates functions relating to the Act or such rules, whether under such rules or otherwise), by the sharing of information and otherwise, with any authority, body or person having responsibility for the supervision or regulation of regulated activities or other financial or investment services;
- (l) provide for the charging of fees, levies or other charges (initial, periodic or otherwise) in connection with any of the foregoing (and so that such fees, levies or other charges may differ as between circumstances and persons); and
- (m) provide for anything which may be considered to be incidental or conducive to any of the foregoing.

Nothing in any of the foregoing paragraphs shall limit the generality of anything in any of the other such paragraphs except in so far as expressly provided. Any such rules may differ as between circumstances and persons.

**73.** The Council or any committee of the Institute to which functions arising from the Act have been delegated, whether under rules made pursuant to Bye-law 72 or otherwise, may from time to time request the Treasury, the Financial Services Authority or any other authority, body or person to make, revoke, vary or add to rules which do, or are intended to do, any or all of the things set out in Bye-law 72 or request that any rules made by any of the foregoing shall apply or not apply to all or any licensed persons.

**74.** The Council or any committee, tribunal, body, individual or person to which functions relating to the Act have been delegated, whether under rules made pursuant to Bye-law 72 or otherwise, may co-operate, by the sharing of information and otherwise, in whatever way it or he thinks fit with the Treasury, the Financial Services Authority, a Designated Professional Body, or any other authority, body or person having responsibility for the supervision or regulation of regulated activities or other financial or investment services.

**74A.** For the avoidance of doubt, the powers of the Institute set out in Bye-laws 71 to 74 above are in addition to and not in substitution of the powers of the Institute under Bye-laws 71 to 74 of the previous Bye-laws in respect of individuals, bodies corporate, partnerships or unincorporated associations to whom the Institute at any time issued a certificate under section 15 of the Financial Services Act 1986 (and Members who manage or control such individuals, bodies corporate, partnerships or unincorporated associations), which powers, and any rules made thereunder, continue to have full effect.

## XII. PRACTISING CERTIFICATES

**75.** In this Part XII:

- (a) 'designated actuary' means an actuary either who is appointed as an actuary to any body, person or fund pursuant to a requirement for the appointment of an actuary imposed by or under a statutory provision or who practises in relation to matters where the Council requires that practice shall be undertaken only by an actuary holding a certificate in respect of such practice pursuant to this Part XII;
- (b) 'certificate' means the certificate to be held by a Member of the Institute who wishes to seek or to retain an appointment as a designated actuary;
- (c) 'PC committee' means the Practising Certificate Committee, being a committee appointed from time to time by the Council pursuant to rules made under Bye-law 77; and
- (d) 'PC appeals committee' means the Practising Certificate Appeals Committee, being a committee so appointed for the purpose of dealing with appeals from the decisions of a PC Committee.

**76.** A Member shall be entitled to act as a designated actuary only if he holds a current certificate of an appropriate type pursuant to these Bye-laws, which certificate has not been suspended or withdrawn.

**77.** The Council may from time to time make, revoke, vary or add to rules which do, or are intended to do, any or all of the following:

- (a) prescribe the criteria to be met by a person applying for a certificate;
- (b) prescribe the period for which a certificate shall endure following grant or renewal (and so that such period may differ as between circumstances and persons);
- (c) prescribe the procedure to be followed in any matters relating to applications for the grant or renewal of certificates (including appeals under Bye-law 79);
- (d) prescribe the form or forms of a certificate;
- (e) enable the PC committee and PC appeals committee (or any committee or appeals committee constituted by the Council in respect of the certification of designated actuaries) to delegate functions on such terms as the rules may prescribe;
- (f) provide for co-operation by the Institute or any committee or individual exercising functions under this Part of the Bye-laws (by the sharing of information and otherwise) with any authority, body or person having an interest in the proper discharge of the duties of designated actuaries;
- (g) prescribe transitional arrangements for the issue of interim certificates on the coming into force of a statutory requirement;
- (h) provide for the charging of fees (initial, periodic or otherwise) in connection with any of the foregoing (and so that such fees may differ as between circumstances and persons); and
- (i) provide for anything which may be considered to be incidental or conducive to any of the foregoing.

**78.** The PC committee or PC appeals committee may decline to issue a certificate if in its opinion the applicant is not an appropriate person for appointment as a designated actuary, and/or has failed to meet the criteria prescribed from time to time under Bye-law 77(a). Without prejudice to the generality of that Bye-law, such criteria may include requirements as to continuing professional development, appropriate practical experience and the completion of such course or courses as may be prescribed.



**79.** If a PC committee refuses an application for the grant or renewal of a certificate, the applicant shall have a right of appeal to a PC appeals committee, provided that he complies with the relevant requirements of the rules then in force under Bye-law 77. Such rules may provide for payment of an additional fee in connection with such appeal.

### **XIII. GENERAL MEETINGS**

#### **ANNUAL GENERAL MEETINGS**

**80.** The Annual General Meeting shall be held in each year at such time and place as the Council may determine. Not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. The Council shall provisionally determine the date of the Annual General Meeting and shall notify the Members of such provisional date not later than eighty-four days before such date. The Council shall give notice to every Member who has a registered address in the European Union, and to every other Fellow and Associate of the date, time and place finally determined by it as the date, time and place of the Annual General Meeting not less than twenty-eight days before such date. If the date so finally determined is earlier than that provisionally determined, any notices, nominations or requisitions given before the date when such final determination is announced which would have been valid in regard to the Annual General Meeting if the date finally determined for that meeting had been the same as that provisionally determined shall be deemed to be valid and effective in regard thereto notwithstanding the alteration in date.

**81.** At the Annual General Meeting:

- (a) the Chairman shall declare the Members elected in manner provided in Sections (b) to (g) inclusive of Bye-law 5 to fill any vacancies in the Council arising under Section (a) of Bye-law 5 or Bye-law 6 or otherwise;
- (b) there shall be elected or appointed an Auditor or Auditors in manner provided by these Bye-laws;
- (c) the Council shall submit its report on the affairs of the Institute and the past year's transactions, together with a statement of income and expenditure of the Institute for the year ended on the previous last day of February, or for a period ended on such other date as the Council may have determined, and of its liabilities and assets at that date together with the report of the Auditor or Auditors on that statement; and
- (d) any other business may be transacted as provided in these Bye-laws.

**82.** At the Annual General Meeting questions may be considered relating to the direction and management of the affairs of the Institute (or to the profession of Actuary), provided that at least twenty-eight days' notice, specifying the nature of the questions to be considered, has been given by the Council to every Member who has a registered address in the European Union and to every other Fellow and Associate, and the Council shall be bound to give such notice upon receiving, at least forty-two days before the Annual General Meeting, a requisition to do so signed by at least ten Members who are either Fellows or Associates, but no Annual General Meeting shall have power to make, alter, revoke or dispense with any Bye-law.

#### ORDINARY GENERAL MEETINGS

**83.** Ordinary General Meetings shall be held at such times and places as the Council may from time to time appoint.

**84.** The business of the Ordinary General Meetings shall include (a) the election and admission of any Member in manner prescribed by these Bye-laws and (b) the reading and discussion of papers, memoirs, letters, reports or other communications on subjects of theoretical or practical interest to the profession, but no question as to the direction and management of the affairs of the Institute shall be considered, except such as may arise out of the confirmation of the Minutes of the Annual General Meeting, or of any Special General Meeting, nor shall any question be discussed or motion made having reference to making, altering, revoking or dispensing with any Bye-law.

**85.** The Council, if it thinks fit, shall from time to time make regulations as to the admission of non-members to and their participation in discussions at Ordinary General Meetings.

#### SPECIAL GENERAL MEETINGS

**86.** The Council may at any time call a Special General Meeting, and shall, subject to the provisions of these Bye-laws, be bound to do so upon a requisition in writing, signed by at least ten Members who are either Fellows or Associates, specifying the purpose for which the Special General Meeting is to be called. Subject to the provisions of these Bye-laws, no business shall be transacted at a Special General Meeting unless at least thirty Members be present, or have appointed a proxy who is present, and entitled to vote, and in the event of this number, or their appointed proxies, not being present within half an hour of the time appointed for the Meeting, the Meeting shall be thereupon and thereby dissolved.

For the purposes of this Bye-law, an individual may be appointed to act as a proxy for more than one Member at the same meeting and, for the purposes of determining how many votes have been cast in a vote at a Special General Meeting and whether a quorum be present, a proxy shall be counted once for each Member the proxy has been appointed to represent. Notices of appointment of a proxy shall be addressed to the President and received no later than forty-eight hours before the Special General Meeting.

**87.** Subject to the provisions of these Bye-laws, twenty-one days' notice shall be given by the Council to all Members who have a registered address in the European Union of the time and place at which the Special General Meeting is to be held, and of the business to be dealt with thereat, and no business except that named in the notice shall be considered at such Special General Meeting.

#### GENERAL MEETINGS, WHETHER ANNUAL, ORDINARY OR SPECIAL

**88.** At all General Meetings of the Institute, whether Annual, Ordinary or Special, the President of the Institute for the time being shall be Chairman, and in his absence, the senior Vice-President present, and in the absence of the President and Vice-Presidents, a Member of the Council chosen by the Meeting, and in the absence of all the Members of the Council, a Fellow of the Institute chosen by the Meeting.

**89.** The non-receipt by any Member or Members of notice of any General Meeting shall not invalidate the proceedings of the Meeting to which such notice relates.

**90.** Subject to the provisions of these Bye-laws the Chairman of any General Meeting may, with the consent of the Meeting, adjourn the Meeting from time to time, and from place to place, but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. Unless otherwise directed in the resolution for adjournment, no notice need be given of an adjourned Meeting.

**91.** Subject to the provisions of the Charter and of these Bye-laws, every resolution or amendment proposed and seconded at a General Meeting shall be put to the Meeting by the Chairman, and decided on by show of hands, and the declaration of the Chairman as to the majority shall be final. On such declaration being made, a poll may be demanded in writing by at least ten Members present and entitled to vote at the Meeting, but a poll shall not be taken as to the election of a Chairman, the appointment of Scrutineers or the adjournment of a Meeting. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the Meeting at which the show of hands takes place or at which a poll is demanded shall be entitled to a second or casting vote.

Where a ballot is required by Bye-law 50 there shall be no show of hands or poll.

In all cases where a ballot is taken and there is an equality of votes the Chairman of the Meeting shall be entitled to a second or casting vote.

**92.** On a poll being demanded under the provisions of Bye-law 91, the Chairman shall forthwith reduce the resolutions or amendments on which the poll is to be taken into the form of alternative propositions, or otherwise state the same in such a way as best to take the sense of the Members entitled to vote upon the substantial question or questions contained in such resolutions or amendments. Voting papers containing such propositions shall be issued by the Council, within twenty-eight days after the Meeting or any adjournment of the Meeting at which the poll is demanded, to each Fellow or Associate who has a registered address in the European Union and, in the case of an Annual General Meeting, to every other Fellow and Associate, and shall be returnable so as to be received by the Scrutineers appointed in manner provided in Bye-law 94 within forty-two days after the Meeting or any adjournment of the Meeting at which the poll is demanded.

**93.** The demand of a poll shall not prevent the continuance of a Meeting for the transaction of any business other than that on which the poll was demanded.

**94.** Subject to the provisions of the Charter and of these Bye-laws, at every General Meeting at which a poll is demanded the Meeting shall appoint three of its number as Scrutineers, any two of whom shall be competent to act. The Scrutineers shall meet not less than forty-three nor more than forty-six days after the Meeting, and they, or any two of them, shall draw up a report of the result of the voting, stating (among other things) what voting papers have been rejected wholly or in part and for what reason. Such report shall without delay be forwarded to the Council, and the voting shall take effect from the date of the report of the Scrutineers, except in the case of a Meeting adjourned to receive the report of the Scrutineers, in which case the voting shall take effect from the date of the adjourned Meeting, and such report shall be final and conclusive as to the result of the voting.

**95.** Minutes shall be made in proper books, to be provided for the purpose, of all resolutions and proceedings of General Meetings, and every Minute signed by the Chairman of the Meeting to which it relates, or by the Chairman of a subsequent Meeting, shall be sufficient evidence of the facts therein stated.

#### XIV. AUDIT

**96.** The Annual General Meeting shall appoint an Auditor or Auditors who shall be a member or members of a body of accountants established in the United Kingdom and for the time being recognized for the purposes of sub-section (1) of Section 25 of the Companies Act 1989, and shall fix his or their remuneration as it shall think fit.

**97.** The Auditor or Auditors shall hold office from the termination of the Annual General Meeting at which he or they are appointed until the termination of the next following Annual General Meeting. If any vacancy shall occur between two Annual General Meetings, or if no Auditor be appointed as aforesaid, the Council may appoint an Auditor or Auditors qualified as aforesaid to fill the vacancy and may fix his or their remuneration as it shall think fit, provided that during such vacancy any continuing Auditor or Auditors may act. An Auditor shall be eligible for re-election.

**98.** Nominations for the office of Auditor signed by two Members of the Institute shall be lodged at the offices of the Institute not less than forty-two days before the Annual General Meeting. In the event of more persons being nominated than in the view of the Council are necessary to be appointed, the number considered necessary by the Council shall be elected by ballot at the Annual General Meeting.

**99.** The Auditor or Auditors elected or appointed at an Annual General Meeting shall, prior to the next Annual General Meeting, audit and prepare a report to the Members on the annual statement of income and expenditure and of liabilities and assets prepared by the Council which shall be submitted at the Annual General Meeting in accordance with the provisions of Bye-law 81.

#### XV. ENACTMENT OR ALTERATION OF BYE-LAWS

**100.** The Council, when it desires to propose the enactment of any new Bye-law, or the variation or rescission of any existing Bye-law, shall call a Special General Meeting to consider the proposals, and the Council shall be at all times bound to call such Special General Meeting on a requisition in writing signed by at least ten Members who are either Fellows or Associates. The notice calling such Special General Meeting shall give particulars of the new Bye-laws proposed and of the proposed variations or rescissions of existing Bye-laws.

## XVI. INDEMNITY OF COUNCIL AND OFFICERS OF THE INSTITUTE

**101.** The Institute shall indemnify the following from all losses and expenses incurred by them in or about the discharge, or purported discharge, of their respective duties, except such as happen from their own respective wilful default or neglect:

- (a) the Officers of the Institute;
- (b) the members of the Council and of any board, panel, committee or tribunal established by the Institute or jointly by the Institute and the Faculty of Actuaries, and any person appointed to any role in connection with the disciplinary functions of the Institute as set out in its Charter and Bye-laws and the Institute's Disciplinary Scheme referred to in Bye-law 69; and
- (c) any other Members or employees of the Institute appointed to undertake duties in the management and control of the affairs of the Institute or functions arising from the Financial Services Act 1986 and the Financial Services and Markets Act 2000 (including any amendments or re-enactments thereof).

**102.** No person mentioned in paragraph (a), (b) or (c) of Bye-law 101 shall be liable for the acts or omissions of any other such person, or (unless the same happen from his own wilful default or neglect) for any loss or expense happening to the Institute, or for joining in any receipt or document, or for any act of conformity.

## XVII. NOTICES

**103.** Any notice required to be given under these Bye-laws may, unless otherwise specifically provided, be served personally or by post or as specified in Bye-law 104. Any notice sent by post shall be deemed to have been served at the expiration of forty-eight hours after the letter, envelope or wrapper containing the same is posted.

For the purpose of these Bye-laws the latest address of a Member recorded by the Council shall be regarded as the Member's registered address to which notices served by post may be addressed.

**104.** With the exception of any notices served under Bye-law 47 (Determination of Membership) or under the provisions of the Disciplinary Scheme set out in the Schedule to these Bye-laws, all notices are to be treated as sent to a Member if:

- (a) a copy of the notice is sent by electronic mail to such electronic address as may for the time being be notified to the Institute by the Member for that purpose; and/or
- (b) a copy of the notice may be obtained by the Member via an internet website, provided that the Member is notified by electronic mail as specified in paragraph (a) above of the publication of the documents on the website together with the means by which the documents may be accessed;

and provided further that the Member has not previously elected to receive documentation by post (unless such election has been rescinded by the Member).

For the purposes of these Bye-laws (with the exception of Bye-law 47), the phrase "last known address" shall be deemed to include electronic addresses.



# INSTITUTE OF ACTUARIES

## DISCIPLINARY SCHEME

### SCHEDULE

#### DISCIPLINARY SCHEME REFERRED TO IN BYE-LAW 69

Changes to Disciplinary Scheme approved by Privy Council 12 June 2009

and effective 1 July 2009

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## **1 INTRODUCTION AND SCOPE**

### ***Interpretation***

- 1.1 In the interpretation and operation of this Scheme regard shall be had to the principles of natural justice and procedural fairness and applicable articles of the European Convention on Human Rights.
- 1.2 In this Scheme:
  - (a) the words defined in the Appendix to this Scheme shall have the meanings ascribed to them therein;
  - (b) words defined in the Bye-laws shall have the same meaning in this Scheme.
- 1.3 The Interpretation Act 1978 shall apply to this Scheme.

### ***Burden and Standard of Proof***

- 1.4 In all proceedings before a Disciplinary Tribunal Panel or an Appeal Tribunal Panel under this Scheme, the Institute shall bear the burden of proving to the civil standard as applied by the Courts of England and Wales in relation to disciplinary proceedings cases that the Respondent is guilty of Misconduct.

### ***Misconduct***

- 1.5 A Member shall be liable to disciplinary action under this Scheme if he has been guilty of Misconduct.
- 1.6 For the purposes of this Scheme, Misconduct means any conduct by a Member, whether committed in the United Kingdom or elsewhere, in the course of carrying out professional duties or otherwise, constituting failure by that Member to comply with the standards of behaviour, integrity, competence or professional judgement which other Members or the public might reasonably expect of a Member having regard to the Bye-laws of the Institute and/or to any code, standards, advice, guidance, memorandum or statement on professional conduct, practice or duties which may be given and published by the Institute and/or, for so long as there is a relevant Memorandum of Understanding in force, by the Board for Actuarial Standards and to all other relevant circumstances:
- 1.7 Misconduct may include any conduct which occurred either before or after the Respondent became a Member save that conduct which was disclosed in writing to the Institute by the Respondent prior to being admitted as a Member shall not be Misconduct for the purposes of this Scheme
- 1.8 References to the Respondent shall include a former Member who has resigned or has ceased to be a Member for any reason since the time of the conduct in respect of which an allegation is made. Any such former Member shall remain bound to supply such information and explanations as may be required by an Investigation Actuary, a Disciplinary Tribunal Panel or an Appeal Tribunal Panel regarding his conduct and shall remain bound by any determinations of a

Disciplinary Tribunal Panel or an Appeal Tribunal Panel or any determination of an Adjudication Panel which is the subject of an agreement under rule 4.10 in respect of any Misconduct committed notwithstanding that his membership has ceased.

1.9

A Member may be liable for Misconduct:

- (a) where a person with whom he is connected is guilty of conduct which if committed by the Member would have amounted to Misconduct and either:
  - (i) any act, omission or behaviour by the Member has caused or contributed to such conduct; or
  - (ii) following his becoming aware of any such conduct, the Member does not take such action as other Members might reasonably expect him to take in the circumstances; or
- (b) notwithstanding that other proceedings may be taken against the Member or any firm of which he is a partner, any body corporate of which he is a director, employee or controller (within the meaning of section 422 of the Financial Services and Markets Act 2000 or any amendment or re-enactment thereof), or any person employed by him or by any such firm or body corporate.

1.10

For the purposes of rule 1.9 and without limitation, a Member shall be deemed to be connected with:

- (a) his employer or employee;
- (b) any director or employee of a body corporate of which he is a director or employee; and
- (c) any member or employee of a partnership of which he is a member or employee.

#### ***Proof of certain matters***

1.11

For the purposes of this Scheme it shall amount to conclusive evidence of Misconduct that a Member has been subject to an adverse disciplinary determination by his nominated Primary Professional Regulator. For the purposes of this provision, a disciplinary determination means a disciplinary determination which is final within the terms of the disciplinary scheme of that Primary Professional Regulator.

1.12

For the purposes of this Scheme it shall amount to *prima facie* evidence of Misconduct that:

- (a) a Respondent has in any civil proceedings before a Court of competent jurisdiction in the United Kingdom or elsewhere been found to have acted fraudulently or dishonestly; and/or
- (b) has failed to comply with an undertaking given pursuant to Bye-law 55; and/or
- (c) a Respondent has, before a Court of competent jurisdiction in the United Kingdom, been convicted of an indictable offence, or has, before a Court elsewhere, been convicted of an offence which would have been indictable

had the offence been prosecuted before a Court in the United Kingdom.

1.13 The fact that a Member:

- (a) has by a court of competent jurisdiction in the United Kingdom or elsewhere been convicted of a criminal offence; and/or
- (b) has been the subject of an adverse final determination by a regulatory body in exercise of functions conferred by any of the following Acts, as from time to time amended, and/or any successor legislation to these Acts: the Financial Services Act 1986, the Financial Services and Markets Act 2000, the Insolvency Act 1986, the Companies Act 1989, the Companies Act 2006, the Pensions Act 1995, the Pensions Act 2004; and/or
- (c) has been the subject of an adverse final determination by an actuarial regulatory body which is a full member of the International Actuarial Association; and/or
- (d) has had a disqualification order made against him under any of the following Acts, as from time to time amended, and/or any successor legislation to these Acts: the Company Directors Disqualification Act 1986 and/or the Pension Schemes Act 1993; and/or
- (e) has been the subject of a judgement or determination arising from civil proceedings before a court of competent jurisdiction in the United Kingdom or elsewhere;

shall for the purposes of this Scheme be treated as conclusive evidence of the findings of fact upon which the conviction, determination, judgement or disqualification order is based.

1.14 The fact that a Member has been the subject of an adverse final determination by a regulatory body of competent jurisdiction in the UK or elsewhere, other than a determination to which rule 1.13 applies, shall for the purposes of this Scheme be treated as *prima facie* evidence of the findings of fact upon which the determination is based.

1.15 In a hearing before a Disciplinary Tribunal Panel that involves the decision of a court or tribunal that relates to the Respondent:

- (a) the fact that the Respondent has been convicted of a criminal offence may be proved by producing a certified copy of the certificate of conviction relating to the offence;
- (b) the finding and sentence of any tribunal exercising a professional disciplinary jurisdiction may be proved by producing a certified record of the finding and sentence; and
- (c) the judgement of any civil court may be proved by producing a certified copy of the judgement.

### ***Liability for disciplinary proceedings under the AADB Scheme***

- 1.16 All Members shall be liable to disciplinary proceedings under the AADB Scheme on the grounds set out in that Scheme, irrespective of whether the act of misconduct upon which such proceedings are based took place before or after the date of adoption of the AADB Scheme by the AADB and the date of acceptance or approval of that Scheme in writing by the Council of the Institute.
- 1.17 Part 12 of this Scheme makes further provision in relation to the AADB Scheme.

### ***Members' Duty to co-operate***

- 1.18 Every Member has, at all times, a duty to co-operate fully with any investigation, process or procedure under this Scheme or under the Faculty Scheme. This duty includes providing such written or oral information and/or evidence as may be required by the Case Manager or Investigation Actuary under rule 3.11.
- 1.19 Every Member has a duty to disclose promptly to the Institute any conviction, adverse finding, judgement or determination or disqualification order of a type referred to in rules 1.11, 1.12 or 1.13, to which he is subject.
- 1.20 Members working for the same employer as a Respondent under this Scheme or under the Faculty Scheme, shall be obliged to co-operate in the implementation of any sanction which is binding upon the Respondent under this Scheme or the Faculty Scheme.
- 1.21 Nothing in this Scheme, including rule 1.18, shall mean that a Member, including a Respondent, shall be required to produce any document or information which is the subject of legal professional privilege or which might tend to incriminate him or expose him to criminal penalties.
- 1.22 The failure of a Member to comply with rule 1.18 and/or rule 1.19 shall amount to *prima facie* evidence of Misconduct.

### ***Disclosure of information under this Scheme***

- 1.23 The Institute may disclose to any of the following bodies such information as it sees fit in relation to any Allegation, referral, investigation, hearing or procedure under this Scheme, for the purpose of assisting that body in properly undertaking its regulatory functions:
- (a) any regulatory body to whom functions are conferred by any of the following Acts, as they may be amended from time to time, and/or any successor legislation to these Acts: the Financial Services Act 1986, the Financial Services and Markets Act 2000, the Insolvency Act 1986, the Companies Act 1989, the Companies Act 2006, the Pensions Act 1995, the Pensions Act 2004;
  - (b) any overseas actuarial professional regulatory body which is a full member of the International Actuarial Association;

- (c) the Financial Reporting Council and/or any of its operating bodies.

## **2 APPOINTMENTS**

### ***Disciplinary Appointments Committee***

- 2.1 The Disciplinary Appointments Committee shall consist of:
  - (a) two Fellows appointed by the Council;
  - (b) two Fellows of the Faculty appointed by the Council of the Faculty;
  - (c) a Lay member being a Queen's Counsel appointed alternately by the Dean for the time being of the Faculty of Advocates and by the Chairman for the time being of the General Council of the Bar;
  - (d) a Lay member nominated by the President for the time being of the Chartered Institute of Personnel and Development,all holding office for a term of three years, such term being renewable.
- 2.2 The Chairman of the Disciplinary Appointments Committee shall be the Lay member appointed under rule 2.1(c).
- 2.3 Any meeting of the Disciplinary Appointments Committee shall be quorate only if there shall be three or more members present, of whom one is a Lay member. In the absence of a quorum at the date set for any meeting or hearing of the Disciplinary Appointments Committee, such meeting or hearing shall stand adjourned to a place and time to be determined by the Chairman of the Disciplinary Appointments Committee.
- 2.4 The Disciplinary Appointments Committee may convene in person or through appropriate telephone conferencing or other similar facilities, or both, and the quorum provisions of rule 2.3 shall apply taking into account those present through the telephone.
- 2.5 Decisions of the Disciplinary Appointments Committee shall be made by simple majority.
- 2.6 The Disciplinary Appointments Committee shall comprise Appropriate persons and shall, when making and/or renewing appointments under Part 2 of this Scheme, appoint Members and Lay members who are Appropriate persons.
- 2.7 Any Member or Lay member who is deemed by the Disciplinary Appointments Committee no longer to be an Appropriate person, shall be required to stand down from any appointment under Part 2 of this Scheme.

### ***Disciplinary Pool***

- 2.8 The Disciplinary Appointments Committee shall appoint members of a Disciplinary Pool from which members of:
- (a) Disciplinary Tribunal Panels;
  - (b) Interim Orders Panels; and
  - (c) Adjudication Panels,
- may be selected under the provisions of this Scheme.
- 2.9 Members of the Disciplinary Pool shall consist of Fellows, Fellows of the Faculty and Lay members, and may include Overseas Fellow Equivalents.
- 2.10 In appointing members to the Disciplinary Pool, the Disciplinary Appointments Committee shall have regard to the numbers of members of the panels likely to be required from time to time for the purpose of the proper functioning of this Scheme.
- 2.11 The Disciplinary Appointments Committee shall nominate from the Disciplinary Pool:
- (a) a Convener and Deputy Convener of the Disciplinary Tribunal Panels;
  - (b) a Convener and Deputy Convener of the Interim Orders Panels; and
  - (c) a Convener and Deputy Convener of the Adjudication Panels,
- save that no person can occupy more than one position under this rule.
- 2.12 The appointments under rule 2.8 and nominations under rule 2.11 shall be for a term of three years, such term being renewable.

### ***Pool of Investigation Actuaries***

- 2.13 The Disciplinary Appointments Committee shall appoint a Pool of Investigation Actuaries who shall consist of Fellows and Fellows of the Faculty, and may include Overseas Fellow Equivalents, each holding office for a term of three years, such term being renewable.
- 2.14 The Disciplinary Appointments Committee shall nominate two of the Pool of Investigation Actuaries to be the Chairman and Deputy Chairman of the Pool of Investigation Actuaries respectively, each holding office for a term of three years, such term being renewable.
- 2.15 In appointing members to the Pool of Investigation Actuaries, the Disciplinary Appointments Committee shall have regard to the numbers of Investigation Actuaries likely to be required for the purposes of the proper functioning of this Scheme.
- 2.16 At the request of the Chairman of the Pool of Investigation Actuaries the member of the Disciplinary Appointments Committee so designated by the Disciplinary

Appointments Committee for this purpose for the time being may appoint to the Pool of Investigation Actuaries a Fellow, Fellow of the Faculty or an Overseas Fellow Equivalent as an Investigation Actuary for the purpose of assisting the Case Manager in the investigation of a specified Allegation.

### ***Independent Examiner***

- 2.17 The Disciplinary Appointments Committee shall appoint an Independent Examiner and a Deputy Independent Examiner who shall be Lay members.
- 2.18 The Independent Examiner and the Deputy Independent Examiner shall be appointed for a term of three years, such term being renewable.
- 2.19 Should the Independent Examiner appointed under rule 2.17 be unavailable or unable for any reason to fulfil his functions under Part 5 of this Scheme, the Deputy Independent Examiner shall for the time being exercise the functions of the Independent Examiner under Part 5 of this Scheme.

### ***Interim Orders Panels***

- 2.20 Each Interim Orders Panel shall be appointed and a Chairman nominated from the members of the Disciplinary Pool, with the approval of the Convener of the Interim Orders Panels, in accordance with regulations to be made by the Disciplinary Board, for the purpose of hearing a particular referral made under the provisions of rule 3.28.
- 2.21 Each Interim Orders Panel shall consist of:
  - (a) two persons being Fellows or Fellows of the Faculty, at least one of whom shall be a Fellow; and
  - (b) one Lay member, being a solicitor, advocate or barrister, who shall chair the Interim Orders Panel.

### ***Adjudication Panels***

- 2.22 Each Adjudication Panel shall consist of three or more persons, at least one of whom shall be a Lay member, appointed from the members of the Disciplinary Pool, with the approval of the Convener of the Adjudication Panels, in accordance with regulations to be made by the Disciplinary Board.
- 2.23 One of the members appointed to each panel under rule 2.22 shall be nominated, with the approval of the Convener of the Adjudication Panels, in accordance with regulations to be made by the Disciplinary Board, as Chairman of the panel.
- 2.24 An Adjudication Panel may consider one or more Case Reports submitted under the provisions of rule 3.19.
- 2.25 Members of an Adjudication Panel who have commenced the consideration of a Case Report shall remain constituted as the Adjudication Panel for the purpose of that Case Report until the conclusion of its determinations under Part 4 of this Scheme, subject to the provisions of rule 5.10.



### ***Disciplinary Tribunal Panels***

- 2.26 Each Disciplinary Tribunal Panel shall be appointed and a Chairman nominated from the members of the Disciplinary Pool, with the approval of the Convener of the Disciplinary Tribunal Panels, in accordance with regulations to be made by the Disciplinary Board.
- 2.27 Each Disciplinary Tribunal Panel shall consist of three or more persons, at least one of whom shall be a Fellow; and at least one shall be a Lay member.

### ***Appeals Tribunal***

- 2.28 Subject to rule 2.30 the Disciplinary Appointments Committee shall appoint members of an Appeals Tribunal from whom members of Appeals Tribunal Panels shall be selected under the provisions of this Scheme.
- 2.29 Members of the Appeals Tribunal shall comprise:
- (a) a Queen's Counsel appointed by the Dean for the time being of the Faculty of Advocates;
  - (b) a Queen's Counsel appointed by the Chairman for the time being of the General Council of the Bar;
  - (c) Fellows, Fellows of the Faculty and Lay members appointed by the Disciplinary Appointments Committee; and
  - (d) may include Overseas Fellow Equivalents;
- all holding office for a term of three years, such term being renewable.
- 2.30 The Chairman and the Deputy Chairman of the Appeals Tribunal shall be the Queen's Counsel appointed in accordance with the provisions of rule 2.29 each position being held for a term of three years, such term being renewable. The position of Chairman and Deputy Chairman shall be nominated alternately by the Dean for the time being of the Faculty of Advocates and by the Chairman for the time being of the General Council of the Bar.
- 2.31 When an appeal is referred to the Appeals Tribunal, the Chairman of the Appeals Tribunal shall appoint an Appeal Tribunal Panel for the purposes of hearing an appeal, comprising:
- (a) himself or the Deputy Chairman of the Appeals Tribunal who shall be the Chairman of the Appeal Tribunal Panel; and
  - (b) two or four other members of the Appeals Tribunal at his discretion to include at least one Fellow and one Lay member.

### ***Disciplinary Board***

- 2.32 The Disciplinary Appointments Committee shall appoint the members of a Disciplinary Board to consist of:
- (a) three Fellows;
  - (b) three Fellows of the Faculty; and
  - (c) three Lay members,
- each appointed for a term of three years, such term being renewable.
- 2.33 The Disciplinary Appointments Committee shall nominate one of the Lay members appointed under rule 2.32(c) to be the Chairman of the Disciplinary Board.
- 2.34 Any meeting of the Disciplinary Board shall be quorate only if there shall be three or more members present, of whom one is a Lay member. In the absence of a quorum at the date set for any meeting or hearing of the Disciplinary Board, such meeting or hearing shall stand adjourned to a place and time to be determined by the Chairman of the Disciplinary Board.
- 2.35 The Disciplinary Board may convene in person or through appropriate telephone conferencing or other similar facilities, or both, and the quorum provisions of rule 2.34 shall apply taking into account those present through the telephone.
- 2.36 Decisions of the Disciplinary Board shall be made by simple majority.

### ***Legal Advisers Pool***

- 2.37 The Disciplinary Appointments Committee shall from time to time nominate a pool of barristers, advocates and solicitors (each being called or admitted in England and Wales or in Scotland as the case may be for a period of ten years or more) who may advise an Adjudication Panel, an Interim Orders Panel, a Disciplinary Tribunal Panel or an Appeal Tribunal Panel as provided for under this Scheme.

### ***General***

- 2.38 No appointment shall be made under Part 2 of this Scheme of:
- (a) a member of the Council or of the Council of the Faculty;
  - (b) a person currently or previously appointed under Part 2 of this Scheme in respect of the same Allegation, Case Report or Charge or the subject matter thereof; or
  - (c) a person previously appointed to any role under Part 2 of this Scheme in respect of the same Allegation, Case Report or Charge or the subject matter thereof; or
  - (d) a member and/or director of the Financial Reporting Council or any of its operating bodies or any person carrying out functions under the AADB Scheme.

- 2.39 Any person who has been appointed under Part 2 of this Scheme who becomes a member of the Council or of the Council of the Faculty shall be deemed to have resigned from his appointment under Part 2 of this Scheme with immediate effect.
- 2.40 No person who is a member of the Disciplinary Appointments Committee may be appointed to any other body or position held under Part 2 of this Scheme. Any person being appointed to the Disciplinary Appointments Committee shall be deemed to have resigned with immediate effect from any other body or position held under the provisions of this Scheme.
- 2.41 No person who is a member of the Disciplinary Board may be appointed to any other body or position held under Part 2 of this Scheme. Any person being appointed to the Disciplinary Board shall be deemed to have resigned with immediate effect from any other position or body held under the provisions of this Scheme.
- 2.42 (a) If for any reason a person appointed to any role under Part 2 of this Scheme is permanently unable to act, a new appointment may be made on the same basis as the person being replaced.
- (b) In the event of the temporary absence for any reason of a person appointed to a position under Part 2 of this Scheme, the Chairman of the Disciplinary Appointments Committee, or any person appointed by the Chairman, may make an interim nomination to fill the vacancy.
- 2.43 (a) No Member who has been found guilty of Misconduct shall be appointed to any position or body referred to in Part 2 of this Scheme or to any such body referred to in Part 2 of the Faculty Scheme. Any person so appointed who is found guilty of Misconduct shall be deemed to have resigned immediately from his appointment to the relevant position referred to in Part 2 of this Scheme.
- (b) For the avoidance of doubt, a Member has been found guilty of Misconduct who has accepted an invitation issued under rule 4.4(a) by an Adjudication Panel.
- 2.44 Any Member, Lay member and any legal adviser who is a member of another professional body and is found guilty of misconduct by that body shall be deemed to have resigned immediately from any appointment which he holds under Part 2 of this Scheme or under Part 2 of the Faculty Scheme.
- 2.45 Any Member, Lay member or legal adviser shall stand down from any appointment to any position or body referred to in Part 2 of this Scheme or referred to in Part 2 of the Faculty Scheme if he has before a Court of competent jurisdiction in the United Kingdom been convicted of an indictable offence or has, before a Court elsewhere, been convicted of an offence which would have been indictable had the offence been prosecuted before a Court in the United Kingdom, or has in any civil proceedings before a Court of competent jurisdiction in the United Kingdom or elsewhere, been found to have acted fraudulently or dishonestly.
- 2.46 Any Member shall, unless otherwise agreed by the Disciplinary Appointments Committee, stand down from any appointment to any position or body referred to in Part 2 of this Scheme or in Part 2 of the Faculty Scheme if he is the subject of

an Allegation under this Scheme, unless and until he is the subject of a determination in relation to that Allegation:

- (a) by an Adjudication Panel under rule 4.4(b) that no disciplinary action shall be taken against him; or
- (b) by a Disciplinary Tribunal Panel that he is not guilty of Misconduct under rule 6.21; or
- (c) by an Appeal Tribunal Panel that he is not guilty of Misconduct, under rule 8.16.

- 2.47 Any meeting of an Adjudication Panel (subject to rule 2.48) or any meeting or hearing of an Interim Orders Panel or Disciplinary Tribunal Panel shall be quorate only if there shall be three or more members present, of whom one is a Lay member. In the absence of a quorum at the date set for any meeting or hearing of the relevant panel, such hearing shall stand adjourned to a place and time to be determined by the chairman of the relevant panel.
- 2.48 An Adjudication Panel may convene in person or through appropriate telephone conferencing or other similar facilities, or both, and the quorum provisions of rule 2.47 shall apply taking into account those present through the telephone.
- 2.49 Any Interim Orders Panel, Adjudication Panel, Disciplinary Tribunal Panel or Appeal Tribunal Panel shall have the power to elect a temporary chairman on the day if a designated chairman is unable to perform that function.
- 2.50 The proceedings of any investigation under Part 3 of this Scheme, or before any Adjudication Panel, Interim Orders Panel, Disciplinary Tribunal Panel or Appeal Tribunal Panel or of the Independent Examiner shall be valid notwithstanding any invalidity in the appointment of any member thereof.
- 2.51 Any person appointed under this Part may continue to act in that capacity in relation to any relevant ongoing Allegation, Case Report or Charge as the case may be notwithstanding that his term of office has otherwise expired.

### **3 INVESTIGATION STAGE**

#### ***Allegations and assignment for investigation***

- 3.1 For the avoidance of doubt, the applicability of this Part 3 is subject to Part 12 of this Scheme (the AADB), which provides for certain circumstances in which action under this Scheme may require to be suspended or to cease.
- 3.2 Every Allegation received by the Institute shall be referred by the Case Manager to the Chairman of the Pool of Investigation Actuaries.
- 3.3 The Chairman of the Pool of Investigation Actuaries shall assign one or more Investigation Actuaries to assist the Case Manager in investigating the Allegation and to provide such advice as is required. The Chairman of the Pool of Investigation Actuaries shall not however proceed under this rule unless he has first considered whether it is appropriate in the circumstances to make a referral

for consideration by the AADB and to proceed under rule 12.6 of this Scheme.

3.4 As soon as reasonably practicable upon an assignment under rule 3.3, the Case Manager shall send to the Respondent:

- (a) a copy of the Allegation;
- (b) a copy of this Scheme;
- (c) the name of the Investigation Actuary; and
- (d) the name and contact details of the Case Manager.

3.5 In making an assignment under rule 3.3, or at any time thereafter, the Chairman of the Pool of Investigation Actuaries may assign the Allegation to more than one member of the Pool of Investigation Actuaries to assist the Case Manager in investigating the Allegation and, if so, shall nominate one of the Investigation Actuaries as Lead Investigation Actuary.

3.6 The Chairman of the Pool of Investigation Actuaries may at any time replace any member serving as an Investigation Actuary with another member of the Pool of Investigation Actuaries or change the nomination of who shall be Lead Investigation Actuary.

### ***Investigations***

3.7 (a) The Allegation shall form the basis of the investigation by the Institute into the alleged Misconduct.

(b) In addition the investigation:

- (i) may take into account any additional conduct of the Respondent which might constitute Misconduct which comes to the notice of the Case Manager and/or the Investigation Actuary during the investigation; and/or
- (ii) may be conducted in conjunction with the investigation of any other Allegation being undertaken under this Scheme relating to the Respondent.

3.8 The Case Manager may:

- (a) appoint a Member, a Member of the Faculty, a solicitor or other person or persons to carry out enquiries on the Institute's behalf; and/or
- (b) instruct a barrister, advocate or solicitor to assist in the preparation of the Case Report and/or application for an Interim Order and/or Charge, to present the application to an Interim Orders Panel under rule 3.33 and/or to present the Charge to the Disciplinary Tribunal Panel and/or to the Appeal Tribunal Panel.

3.9 The Case Manager may seek and receive from the person making the Allegation and/or any other person such information as he thinks proper.

- 3.10 The Case Manager may interview any Member, the person making the Allegation, the Respondent and/or any other individual. Neither the Respondent nor his representatives shall be present during any interview or meeting arranged with any other person unless in his discretion the Case Manager consents thereto. The Investigation Actuary may, however, elect to be present.
- 3.11 The Case Manager and the Investigation Actuary shall have the power:
- (a) to require copies or originals of any documents relevant to the investigation from any Member or Member of the Faculty (whether or not such Member is the subject of the investigation);
  - (b) to require any further information from any Member or Member of the Faculty relating to the subject matter of the investigation;
  - (c) to require any Member or Member of the Faculty (whether or not such Member is the subject of the investigation) to attend before them (and/or such other persons as they may designate) at a specified time and place to answer questions or otherwise furnish information with respect to any matter relevant to the investigation;
  - (d) to accept written undertakings from the Respondent as they deem necessary in accordance with guidelines issued by the Disciplinary Board under rule 10.1(i); and
  - (e) to take any legal or other expert advice as to any matter relevant to the subject matter of the investigation.
- 3.12 The failure by the Respondent to comply with any undertaking accepted under rule 3.11(d) shall amount to *prima facie* evidence of Misconduct.

***Expedited procedure for certain matters***

- 3.13
- (a) Where at any stage prior to the consideration of an Allegation by the Adjudication Panel, the Case Manager and Investigation Actuary consider that the issues raised by the Allegation are such that it is in the interests of the public and/or of the profession to refer the Allegation directly for consideration by a Disciplinary Tribunal Panel, they shall proceed in accordance with this rule. The Case Manager and Investigation Actuary shall not however proceed under this rule unless they have first considered whether it is appropriate in the circumstances to make a referral for consideration by the AADB and to proceed under rule 12.10 of this Scheme.
  - (b) In a case to which paragraph (a) of this rule 3.13 applies, the Case Manager shall notify the Respondent that the Case Manager and Investigation Actuary are inclined to refer the Allegation directly for consideration by a Disciplinary Tribunal Panel, in accordance with the provisions of this rule. The Respondent shall be asked to confirm in writing within 21 days whether he agrees to the Allegation being so referred. If the Respondent does so agree, the Case Manager shall notify the secretary to the Disciplinary Tribunal and the matter shall proceed directly to be heard by a Disciplinary Tribunal Panel in

accordance with Part 6 of this Scheme. In that case, a Case Report shall not be prepared and the Case Manager shall proceed directly to prepare a Charge in accordance with rules 4.16 to 4.18 and Parts 4 and 5 of this Scheme shall otherwise not apply.

- (c) If the Respondent does not agree to the matter being referred directly to a Disciplinary Tribunal Panel, the matter may only be so referred at the discretion of the Convener of Adjudication Panels, to whom written application may be made for this purpose by the Case Manager. The Respondent shall be provided by the Case Manager with a copy of any such application and accorded reasonable opportunity to make written submission in response to the Convener of Adjudication Panels.
- (d) The Convener of Adjudication Panels shall, having considered the application and any submission from the Respondent under paragraph (c), and having taken account of the factors set out in paragraph (g) of this rule 3.13, direct the Case Manager whether or not to refer the matter directly to a hearing of the Disciplinary Tribunal Panel.
- (e) In the event that the Convener of Adjudication Panels directs the Case Manager to refer the matter directly to the Disciplinary Tribunal Panel, the secretary to the Adjudication Panel shall notify the following in writing of this decision, which shall be final:
  - (i) the person who made the Allegation;
  - (ii) the Respondent;
  - (iii) the Case Manager;
  - (iv) the Disciplinary Board;
  - (v) the Institute;

and the matter shall proceed directly to be heard by a Disciplinary Tribunal Panel in accordance with Part 6 of this Scheme. In that case, a Case Report shall not be prepared and the Case Manager shall proceed directly to prepare a Charge in accordance with rules 4.16 to 4.18 and Parts 4 and 5 of this Scheme shall otherwise not apply.

- (f) In the event that the Convener of Adjudication Panels does not direct the Case Manager to refer the matter directly to the Disciplinary Tribunal Panel, the Case Manager shall proceed to prepare a Case Report in accordance with Part 3 of this Scheme and, subject to the Respondent's right of election under rule 3.18, the matter shall be considered by the Adjudication Panel in accordance with this Scheme.
- (g) The factors to be taken into account, as applicable, by the Convener of Adjudication Panels under paragraph (c) of this rule 3.13 are as follows:
  - (i) whether the Allegation discloses a *prima facie* case of Misconduct;
  - (ii) the gravity of the issues raised, including whether the Allegation, if proved,

would be likely to give rise to the imposition of sanction at a level exceeding that available to the Adjudication Panel in making an invitation under rule 4.6;

(iii) the extent to which there is a reasonable prospect of establishing the matters giving rise to the Allegation before a Disciplinary Tribunal Panel;

(iv) the interests of the public and/or of the profession; and

(v) all other relevant circumstances.

### ***Content of a Case Report***

3.14 The Case Report shall contain a statement of all the relevant facts that the Case Manager and Investigation Actuary regard as material to whether or not there has been Misconduct.

3.15 The Case Report shall contain, but is not limited to, a report on the Allegation received under rule 3.2. The Case Report may contain references to matters which may amount to Misconduct outside the scope of the Allegation, if that alleged Misconduct:

(a) has come to the attention of the Case Manager and/or the Investigation Actuary in the course of the investigation; and

(b) is not or has not been the subject of an Allegation being investigated separately and/or a separate Charge.

3.16 The Case Report shall be signed by both the Case Manager and the Investigation Actuary or the Lead Investigation Actuary as the case may be.

### ***Completion of an investigation***

3.17 The signed Case Report shall be sent to the Respondent by the Case Manager.

3.18 The Respondent may, within 14 days of receipt of the Case Report sent under rule 3.17, by written notice to the Case Manager, elect to proceed directly to a Disciplinary Tribunal Panel. If so, Part 4 of this Scheme, save for rules 4.16, 4.17 and 4.18, shall not apply.

3.19 Subject to the right of the Respondent to elect to proceed directly to a Disciplinary Tribunal Panel under rule 3.18, the Case Manager shall submit the Case Report to an Adjudication Panel as soon as reasonably practicable after the Case Report has been sent to the Respondent under rule 3.17, and shall invite the Respondent to send, within 14 days of receipt of the Case Report, any comments on the Case Report to the secretary to the Adjudication Panel, for consideration by the Adjudication Panel.



### ***Withdrawal of an Allegation***

- 3.20 The withdrawal, by the person who made it, of an Allegation at any stage prior to the completion of an investigation shall cause the Case Manager and the Investigation Actuary to consider whether to discontinue the investigation forthwith.
- 3.21 Where the Case Manager and the Investigation Actuary consider that the investigation should be so discontinued, they shall prepare an Advisory Report for the Adjudication Panel, setting out, with brief reasons, their recommendation that the investigation should be discontinued. The Case Manager shall submit the Advisory Report to an Adjudication Panel as soon as reasonably practicable.
- 3.22 Where, however, the Case Manager and the Investigation Actuary consider that it is in the interests of the public and/or of the profession that the investigation should continue, notwithstanding the withdrawal of the Allegation on which it is based, they shall complete the investigation in accordance with this Part 3 of this Scheme.
- 3.23 An Advisory Report may also be submitted to an Adjudication Panel, at the discretion of the Case Manager and the Investigation Actuary, where it appears during the course of an investigation that an Allegation, if found proven, would not disclose a *prima facie* case of Misconduct.
- 3.24 Rules 3.17 to 3.19 of this Scheme shall not apply in relation to the submission to the Adjudication Panel of an Advisory Report.
- 3.25 If, following consideration of an Advisory Report in accordance with rule 4.3, the Adjudication Panel refers the Allegation back to the Case Manager and Investigation Actuary, the investigation shall be resumed, as appropriate, and a Case Report prepared and submitted in accordance with this Part 3 of this Scheme.

### ***Interim Orders***

- 3.26 An Interim Order is an order made by an Interim Orders Panel for:
- (a) a period of supervised practice in the terms provided for under rule 10.3; and/or
  - (b) suspension of any Certificate of the Respondent; or
  - (c) suspension of the Respondent from membership of the Institute.
- 3.27 An Interim Order shall cease to have effect:
- (a) after six months, or such shorter period as may be specified in the order;
  - (b) on a determination of the Adjudication Panel under rule 4.4(b);
  - (c) on the acceptance by the Respondent of an invitation issued by the Adjudication Panel under rule 4.6;

- (d) on a determination of the Disciplinary Tribunal Panel; or
- (e) on a determination of the Interim Orders Panel or the Chairman thereof under rule 3.38,

whichever shall be the sooner, unless the order is renewed by a further hearing of an Interim Orders Panel.

- 3.28 Where there is alleged Misconduct the Case Manager and Investigation Actuary may at any time up to a hearing by the Disciplinary Tribunal Panel submit to an Interim Orders Panel an application for an Interim Order together with the Allegation and/or a Case Report and/or any relevant material in support of the application.
- 3.29 The Respondent shall forthwith be served with written notice of:
  - (a) any application to the Interim Orders Panel under rule 3.28, including a copy of the Allegation and any relevant material; and
  - (b) the hearing of the Interim Orders Panel under rule 3.30.
- 3.30 On an application under rule 3.28 or at a further hearing under rule 3.36, the Interim Orders Panel shall convene a hearing and shall, subject to rules 3.34 and 3.35, determine (by simple majority) whether to make an Interim Order.
- 3.31 The Interim Orders Panel, before deciding whether to make an Interim Order under rule 3.30, shall give the Respondent a reasonable opportunity to make representations to the Interim Orders Panel in writing or, at the election of the Respondent, orally, as to:
  - (a) whether the Interim Orders Panel shall make an Interim Order; and/or
  - (b) the duration of any Interim Order.
- 3.32 Any election by the Respondent for an oral hearing under rule 3.31 shall be made by the Respondent in writing to reach the secretary to the Interim Orders Panel at least seven days prior to the hearing.
- 3.33 In the event of an oral hearing under rule 3.31:
  - (a) the Case Manager and/or the Investigation Actuary may also attend to present the application; and
  - (b) the Respondent may attend and make such representations as are provided for in rule 3.31.
- 3.34 The Interim Orders Panel shall not make an Interim Order under rule 3.30 unless it is satisfied that:
  - (a) there is sufficient *prima facie* evidence before it to support such allegations; and
  - (b) such measure is warranted by the seriousness of the alleged Misconduct.

- 3.35 If the Interim Orders Panel is satisfied that the conditions in rule 3.34 are fulfilled, it shall then have regard to the following considerations in deciding whether to make an Interim Order under rule 3.30 and, if so, the appropriate period to specify under rule 3.27(a):
- (a) the effect on the Respondent; and
  - (b) the protection of the public, including the likelihood of further alleged Misconduct occurring.
- 3.36 The Interim Orders Panel may hold a further hearing in accordance with the provisions of this Part 3 to consider:
- (a) the renewal of an Interim Order when the term of an Interim Order would otherwise expire;
  - (b) whether to make a further Order.
- 3.37 The Respondent may by notice under rule 8.2 appeal to the Appeals Tribunal within 14 days of the making of an Interim Order. Such an appeal shall not affect the continued operation of the Interim Order.
- 3.38 The Case Manager or the Respondent may at any time make an application to the Chairman of the Interim Orders Panel for the rescission or variation of an Interim Order on the basis that the circumstances upon which the order was made have changed to a material degree.
- 3.39 Written notice of the making, rescission or variation of an Interim Order shall be served forthwith upon the Respondent and upon the Institute.
- 3.40 The Interim Orders Panel may be advised by a barrister, advocate or solicitor chosen from the Legal Advisers Pool.
- 3.41 Subject to rule 3.42 hearings of the Interim Orders Panel shall be in private.
- 3.42 Hearings of the Interim Orders Panel shall be held in public whenever the Respondent so requests. In the event of a public hearing the Interim Orders Panel may, acting of its own motion or upon the application of any Party, hold all or part of the hearing in private if there is good reason to do so.

## **4 ADJUDICATION PANELS**

### ***General***

- 4.1 The Adjudication Panel shall meet in private.
- 4.2 The Adjudication Panel may consider one or more Case Reports submitted under rule 3.19 and one or more Advisory Reports submitted under rules 3.21 or 3.23.

### **Advisory Reports**

- 4.3 In the case of an Advisory Report submitted to the Adjudication Panel under rule 3.21 or 3.23, the Adjudication Panel must either:
- (a) determine that no disciplinary action is appropriate, in which case it shall dismiss the Allegation; or
  - (b) refer the matter back to the Case Manager and Investigation Actuary for further investigation and/or the submission of a Case Report in accordance with the provisions of this Scheme.

### **Case Reports**

- 4.4 The Adjudication Panel (by simple majority) shall determine whether:
- (a) a Case Report, or one or more matters within it, discloses a *prima facie* case of Misconduct and, if so, that:
    - (i) the Respondent shall be invited to accept that there has been Misconduct and, where the Adjudication Panel considers it appropriate, invited to accept a sanction in accordance with the procedure in rules 4.6 to 4.10; or
    - (ii) the matters referred to in the Case Report should be referred to a Disciplinary Tribunal Panel;
  - or
  - (b) a Case Report discloses no *prima facie* case of Misconduct and that no disciplinary action shall be taken against the Respondent.
- 4.5 Before making a determination under rule 4.4, the Adjudication Panel shall consider:
- (a) the Allegation;
  - (b) the Case Report; and
  - (c) any representations submitted to the Adjudication Panel by the Respondent in accordance with rule 3.19.
- 4.6 In accordance with rule 4.4(a)(i), the Adjudication Panel may in writing invite the Respondent to accept that there has been Misconduct and, where the Adjudication Panel considers it appropriate:
- (a) invite the Respondent to accept a reprimand in terms provided for by the Adjudication Panel; and/or
  - (b) invite the Respondent to pay within a specified time scale a fine up to the amount provided for under rule 10.1(b); and/or
  - (c) invite the Respondent to complete a period of education, retraining and/or supervised practice, on terms provided for under rule 10.3.

- 4.7 When exercising its discretion whether to issue an invitation under rule 4.6, the Adjudication Panel shall have regard to the gravity of the alleged Misconduct as set out in the Allegation and/or the Case Report.
- 4.8 A determination under rule 4.4 shall be served upon the Respondent and the Institute forthwith.
- 4.9 When making a determination under rule 4.4 or issuing an invitation under rule 4.6, the Adjudication Panel shall provide to the Respondent and the Institute a statement of its reasons.
- 4.10 A Respondent accepting an invitation pursuant to rule 4.6 shall do so in writing within 21 days of such invitation and in so doing:
- (a) shall be deemed to have accepted that the conduct in the Case Report as specified by the Adjudication Panel as amounting to Misconduct is Misconduct for the purposes of this Scheme;
  - (b) agrees to be bound by any sanction specified as if it was a sanction imposed by a Disciplinary Tribunal Panel save that the appeal procedure in Part 8 of this Scheme shall not apply.
- 4.11 If the Respondent does not accept, within 21 days, an invitation pursuant to rule 4.6 the conduct in the Case Report shall be referred to a Disciplinary Tribunal Panel under rule 4.4(a)(ii).
- 4.12 The Adjudication Panel may at any time adjourn its consideration of a matter and, in particular, seek further information from the Case Manager and/or the Investigation Actuary or, through the Case Manager, from the Respondent and/or the person making the Allegation to which the Case Report refers. The Adjudication Panel may consider this further information before issuing an invitation under rule 4.6 and/or a determination under rule 4.4.
- 4.13 Forthwith upon the determination of the Adjudication Panel under rule 4.4(a)(ii) or rule 4.4(b), or the Respondent's acceptance under rule 4.10 of an invitation under rule 4.6, the Adjudication Panel shall communicate the determination and the reasons to the person who made the Allegation to which the Case Report refers.
- 4.14 If the Respondent has accepted an invitation issued under rule 4.6(c), but has failed to comply with the requirement to complete a period of education, retraining and/or supervised practice, the Adjudication Panel (which may be newly constituted) shall consider any evidence submitted to it that the Respondent has not so complied with such a requirement. Such evidence may be submitted to the Adjudication Panel by the Case Manager and/or such other person as may have been appointed by the Adjudication Panel to supervise or monitor compliance by the Respondent with the agreed requirement. If satisfied that the Respondent has not complied with such a requirement, the Adjudication Panel shall, having regard to the evidence produced, reconsider the Case Report afresh in accordance with the provisions of this Part 4 of this Scheme.
- 4.15 The Adjudication Panel may be advised by a barrister, advocate or solicitor chosen from the Legal Advisers Pool.

## **Charges**

- 4.16 A determination under rule 4.4(a)(ii) to refer the matter to a Disciplinary Tribunal Panel or an election by a Respondent under rule 3.18, or a direct referral under rule 3.13, shall cause the Case Manager to prepare a Charge in accordance with the provisions of rules 4.17 and 4.18, for submission to a Disciplinary Tribunal Panel.
- 4.17 A Charge shall include where necessary concise particulars of the Charge and a statement of all the facts and matters that the Case Manager regards as material. The Charge shall be supported where necessary by documentary and other evidence.
- 4.18 The Charge shall not be limited to the matters within the scope of the Allegation or the Case Report. The Charge may contain alleged Misconduct outside the scope of the Allegation or the Case Report, provided that:
- (a) such alleged Misconduct is not or has not been the subject of an Allegation being investigated separately and/or a separate Charge; and
  - (b) the Respondent is given a proper opportunity to answer the additional matters in the Charge.

## **5 REVIEW BY THE INDEPENDENT EXAMINER**

### **Grounds for review**

- 5.1 Where:
- (a) the Adjudication Panel has determined under rule 4.4(b) that a Case Report does not disclose a *prima facie* case of Misconduct and no disciplinary action shall be taken against the Respondent; and
  - (b) the person who under rule 3.2, made the Allegation on which the Case Report is based, is dissatisfied with the determination in so far as it relates to the Allegation he made,
- then, subject to rules 5.2 to 5.3, he may refer the determination insofar as relating to his Allegation for review by the Independent Examiner.
- 5.2 No referral for review shall be made:
- (a) in the event of a determination under rule 4.4(a); or
  - (b) of a decision pursuant to rules 12.13 and 12.14.
- 5.3 A referral under rule 5.1 shall be made only on the following grounds:
- (a) that the determination of the Adjudication Panel was manifestly unreasonable, inconsistent with the evidence or wrong in law; and/or
  - (b) that there was injustice because of a serious procedural or other irregularity in

the proceedings before the Adjudication Panel; and/or

- (c) that significant and relevant new evidence has come to light which was not previously available and could not reasonably have been made available during the investigation.

5.4 A referral shall:

- (a) be made in writing to reach the Independent Examiner within 28 days after communication of the determination of the Adjudication Panel under rule 4.4(b) to the person making the referral;
- (b) state on which of the grounds in rule 5.3 the referral is based. The grounds so stated shall not thereafter be altered except with the leave, reasonable cause having been shown, of the Independent Examiner.

5.5 If the referral was not made within the period set out in rule 5.4(a), the Independent Examiner shall refuse to accept the referral, except that, in exceptional circumstances, and upon the basis of reasonable cause shown, he shall be entitled to accept a referral outwith this time period.

- 5.6
- (a) Subject to rule 5.5, the Independent Examiner may accept a referral if he is satisfied that the person making the referral has stated an arguable and relevant basis for that referral in accordance with rule 5.3. If accepted, the Independent Examiner shall send a copy of the referral to the Institute.
  - (b) If he is not so satisfied, in his sole discretion, the Independent Examiner shall inform the person making the referral that the referral is not accepted, and shall send a copy of his decision to the Institute.

### ***Conduct of the review***

- 5.7 The review conducted by the Independent Examiner shall include consideration, as appropriate, of:
- (a) the determination reached by the Adjudication Panel under rule 4.4(b);
  - (b) the investigation procedures followed under Part 3;
  - (c) the procedures followed by the Adjudication Panel in making its determination;
  - (d) the Allegation made under rule 3.2;
  - (e) the Case Report and any other material considered by the Adjudication Panel;
  - (f) any representations made to the Independent Examiner by the person making the referral;
  - (g) any representations made to the Independent Examiner by the Respondent; and
  - (h) any representations made to the Independent Examiner by the Case Manager, having regard to the grounds set out in rule 5.3.
- 5.8 The Disciplinary Board shall have power to make regulations for the procedure of the Independent Examiner. Subject to this Scheme and such regulations made under this rule, the Independent Examiner has discretion to determine his own procedure.

### ***Determination of the Independent Examiner***

- 5.9 After concluding his review, the Independent Examiner shall either:
- (a) affirm the determination of the Adjudication Panel; or
  - (b) remit papers to an Adjudication Panel for reconsideration having taken into account the matters contained in the review of the Independent Examiner, giving reasons for his determination in either case.
- 5.10 When remitting papers to an Adjudication Panel under rule 5.9(b) the Independent Examiner shall specify whether the Adjudication Panel should, so far as reasonably possible, comprise the same members who dealt with the matter which was the subject of his review or should be a newly constituted Adjudication Panel.
- 5.11 The determination of the Independent Examiner under rule 5.9 and his reasons shall be notified in writing to:
- (a) the person who made the referral;
  - (b) the Respondent;
  - (c) the Adjudication Panel;



- (d) the Case Manager;
- (e) the Disciplinary Board; and
- (f) the Institute.

- 5.12 Any decision of the Independent Examiner under rule 5.5 or rule 5.6 and any determination of his under rule 5.9 shall be final and there shall be no appeal against any such decision or determination.
- 5.13 The determination of an Adjudication Panel to whom a matter has been remitted under rule 5.9(b) shall not be subject to further referral to the Independent Examiner.

### **General**

- 5.14 A referral to the Independent Examiner may be withdrawn at any time by the person who made it, whereupon the review under this Part 5 of this Scheme shall cease.
- 5.15 The Independent Examiner may seek and receive advice from any individual on legal or actuarial matters.
- 5.16 The Independent Examiner may provide to the Disciplinary Board from time to time a report covering such matters as he thinks fit in relation to the operation of this Scheme and the procedures adopted by the Case Manager, the Investigation Actuary and the Adjudication Panel.

## **6 DISCIPLINARY TRIBUNAL PANELS**

### **Charges**

- 6.1 The Institute, assisted by the Investigation Actuary, shall be responsible for presenting the Charge and relevant evidence to the Disciplinary Tribunal Panel.
- 6.2 The Case Manager shall serve the Charge on the Respondent and submit the Charge to the secretary to the Disciplinary Tribunal Panel following:
- (a) a referral to the Adjudication Panel under rule 4.4(a)(ii); or
  - (b) an election by the Respondent to proceed directly to a Disciplinary Tribunal Panel under rule 3.18; or
  - (c) a direct referral under rule 3.13.
- 6.3 As soon as reasonably practicable following receipt of the Charge submitted under rule 6.2, the secretary of the Disciplinary Tribunal Panel shall provide notice in writing of the date, time, venue and duration of the hearing to each of the following:
- (a) the Respondent
  - (b) the Case Manager

(c) the Investigation Actuary; and

(d) the Institute.

***Pre-hearing Procedure (service of grounds of defence and documentary evidence)***

- 6.4 The Respondent, if not intending to make an admission of misconduct shall, subject to any decision of the Chairman of the Disciplinary Tribunal Panel under this rule to the contrary, serve upon the secretary to the Disciplinary Tribunal Panel and the Investigation Actuary written grounds of defence to be received not later than 21 days following service of the Charge under rule 6.2.
- 6.5 The Institute may amend the Charge, provided that:
- (a) The Respondent is given a proper opportunity to answer any new matters introduced by the amendment; and
  - (b) The Case Manager serves the amended Charge to reach the Respondent and secretary to the Disciplinary Tribunal Panel not later than 28 days prior to the Disciplinary Tribunal hearing.
- 6.6 All Parties must serve upon the secretary to the Disciplinary Tribunal Panel and each other no later than 21 days before the hearing the copies of the documents upon which they intend to rely.
- 6.7 The Respondent may amend any grounds of defence served under rule 6.4, provided that such amended grounds of defence are served such as to reach the secretary to the Disciplinary Tribunal Panel and Case Manager not later than 14 days prior to the Disciplinary Tribunal Panel hearing.
- 6.8 Where written grounds of defence have been served under rule 6.4 the Investigation Actuary and the Respondent shall, subject to any decision of the Chairman of the Disciplinary Tribunal Panel under this rule to the contrary, provide to the Disciplinary Tribunal Panel submissions on any point of law identified by the Parties which may be required to be considered by the Disciplinary Tribunal Panel no less than 7 days before the hearing. Any legal submission shall be in the form of a skeleton argument and shall be accompanied by copies of supporting authorities.

***Rights of the Respondent***

- 6.9 The Respondent shall be given a proper opportunity of answering the Charge.
- 6.10 The Respondent shall be entitled to make representations and call any witnesses before the Disciplinary Tribunal Panel in relation to:
- (a) whether or not there has been Misconduct; and/or
  - (b) if he accepts that there has been Misconduct or is found guilty of Misconduct by the Disciplinary Tribunal Panel, mitigation as to the sanction.

### ***General provisions for the Disciplinary Tribunal Panel***

- 6.11 Where in the opinion of the Disciplinary Tribunal Panel the Charge does not show a *prima facie* case of Misconduct the Disciplinary Tribunal Panel may dismiss the Charge without hearing the Parties.
- 6.12 The Chairman of the Disciplinary Tribunal Panel may require the Respondent and the Institute and/or their representatives to appear before him from time to time for the purpose of making such orders as he shall think fit as to procedural matters for the proper determination of the matter by the Disciplinary Tribunal Panel. Any procedural hearings under this rule shall be held in private.
- 6.13 On the application of any Party, the Chairman of the Disciplinary Tribunal Panel may order the disclosure of documents in another Party's possession if they are relevant and if he considers that it is fair in all the circumstances that the documents should be so disclosed.
- 6.14 The Chairman of the Disciplinary Tribunal Panel shall not require under rule 6.13 the production of any document which is the subject of legal professional privilege or which might tend to incriminate or expose the Respondent to penalties imposed by law.
- 6.15 Where a Charge concerns:
- (a) acts, omissions or other conduct committed by that Respondent outside the United Kingdom; or
  - (b) facts which may best be ascertained by the Disciplinary Tribunal Panel sitting outside the United Kingdom,
- and in the opinion of the Disciplinary Tribunal Panel it is necessary, convenient or in the interests of justice for it to sit outside the United Kingdom, then the Disciplinary Tribunal Panel may in its discretion convene outside the United Kingdom for the purpose of taking some or all of the evidence in the matter or for the purpose of disposing of the matter.

### ***Hearings***

- 6.16 Subject to rule 6.17, the Disciplinary Tribunal Panel shall hear the Charge in public.
- 6.17 The Disciplinary Tribunal Panel may, acting of its own motion or upon the application of any Party, hear the Charge, in full or in part, in private if there is good reason to do so.
- 6.18 At any stage the Disciplinary Tribunal Panel may appoint a barrister, advocate or solicitor from the Legal Advisers Pool to assist it in any matters of law or procedure. Such adviser may be present at any hearing and may give such advice to the members of the Disciplinary Tribunal Panel during any private deliberations as may be requested by them. Any advice given in private must be made available to the Parties and included in the record of the hearing.

- 6.19 Subject to this Scheme, the Disciplinary Tribunal Panel shall have complete discretion over the procedure to be adopted before it and may, save where fairness requires otherwise, consolidate or hear together any related Charge or Charges under this Scheme.
- 6.20 The Disciplinary Tribunal Panel may at any time before or during the hearing direct that a Charge or any particulars of a Charge shall be amended, provided that:
- (a) the Disciplinary Tribunal Panel (or the Chairman of the Disciplinary Tribunal Panel if prior to the substantive hearing) is satisfied that the Respondent will not be substantially prejudiced in the conduct of his defence by the making of such an amendment; and
  - (b) the Disciplinary Tribunal Panel shall, if so requested by the Respondent, adjourn for such time as is reasonably necessary to enable him to deal with the Charge as so amended.
- 6.21 At the conclusion of the hearing, the Disciplinary Tribunal Panel shall determine, by simple majority, if a Charge of Misconduct has been established. In the absence of such a majority, the Charge shall be dismissed.
- 6.22 In determining its findings on the Charge and the sanction, the Disciplinary Tribunal Panel shall not have regard to any proceedings or correspondence of the Adjudication Panel under Part 4 of this Scheme or of the Independent Examiner under Part 5 of this Scheme or to any decision under rule 3.13 in relation to the matters giving rise to the Charge.
- 6.23 If the Disciplinary Tribunal Panel determines that the Respondent has been guilty of Misconduct, the Disciplinary Tribunal Panel shall:
- (a) determine that no sanction is appropriate; or
  - (b) impose one or more of the following sanctions:
    - (i) reprimand the Respondent;
    - (ii) order the payment of a monetary fine by the Respondent;
    - (iii) suspend any Certificate of the Respondent;
    - (iv) withdraw any Certificate of the Respondent;
    - (v) exclude the Respondent from holding any Certificate for any period it thinks appropriate up to a maximum of five years, which must elapse before any application to hold such a Certificate may be submitted to the Institute;
    - (vi) suspend the Respondent from membership of the Institute for any period it thinks appropriate up to a maximum of two years;
    - (vii) expel the Respondent from membership of the Institute for any period it thinks appropriate up to a maximum of five years, which must elapse before an application for readmission as a Member may be granted in

accordance with Part 7 of this Scheme;

(viii) exclude the Respondent (being a former Member who is subject to this Scheme pursuant to rule 1.8) from membership of the Institute for any period it thinks appropriate up to a maximum of five years, which must elapse before an application for readmission as a Member may be submitted to the Institute in accordance with Part 7 of this Scheme;

(ix) order the Respondent to complete a period of education, retraining and/or supervised practice, on terms provided for under rule 10.3.

6.24 If a sanction has been imposed under rule 6.23(b)(ix), the Disciplinary Tribunal Panel (or a newly constituted Disciplinary Tribunal Panel) may be recalled on the application of the Investigation Actuary and impose a further sanction should the Respondent not comply with the terms of the sanction of education, retraining and/or supervised practice first imposed.

### **Costs**

6.25 The Disciplinary Tribunal Panel may make an award of costs against the Respondent or the Institute as it considers appropriate.

### **Communication of determination**

6.26 A determination of the Disciplinary Tribunal Panel shall be served upon the Respondent forthwith, which determination shall, subject to rule 9.2(a), be effective from the date of its making. The Disciplinary Tribunal Panel's reasons shall be served upon the Respondent when the determination is served or as soon as reasonably practicable thereafter.

6.27 The Disciplinary Tribunal Panel shall also communicate its determination and reasons to:

- (a) the Investigation Actuary;
- (b) the person making the Allegation;
- (c) the Disciplinary Board; and
- (d) the Institute.

## **7 READMISSION TO MEMBERSHIP FOLLOWING DISCIPLINARY EXPULSION OR EXCLUSION**

### **Application**

7.1 A Member who, in accordance with this Scheme or the AADB Scheme, has been expelled or excluded from membership for a specified period, and who subsequently wishes to apply for readmission, may only do so by application in writing to the Institute in accordance with this Part 7 and with such regulations as may for this purpose be issued by the Disciplinary Board.

7.2 In the case of the first such application, this may be made at the earliest three months prior to the expiry of the specified period of expulsion or exclusion. No

subsequent application may be made prior to the expiry of a period of one year, or such shorter period as the Disciplinary Tribunal Panel may at its discretion determine, following the determination of the first such application.

#### ***Action on receipt of an application***

- 7.3 Upon receipt of an application for readmission under this rule, the Chief Executive shall notify the Convener of Disciplinary Tribunal Panels and assign the application to a Case Manager. Where the Applicant was subject to exclusion or expulsion under the AADB Scheme, the Chief Executive shall also notify the AADB.
- 7.4 The Case Manager may make such investigations, and obtain such information, documents or reports as he considers appropriate, including inquiries as to the Applicant's conduct before and after the order for exclusion or expulsion.

#### ***Hearing the application***

- 7.5 The Convener of Disciplinary Tribunal Panels shall convene a Panel to hear the application or may assign the application for hearing by a Panel already convened for hearing a different matter.
- 7.6 Not later than 28 days before the hearing before a Disciplinary Tribunal Panel to consider his application, the Applicant shall receive from the secretary to the Disciplinary Tribunal Panel notice of the hearing:
- (a) requesting the Applicant to notify, within 14 days of the date of the notice, whether he wishes to attend the hearing; and
  - (b) inviting the Applicant, if he chooses not to attend the hearing, to make written representations to be received by the secretary no later than 14 days before the hearing.
- 7.7 The notice under rule 7.6 shall be accompanied by a copy of any statement, report or other document which:
- (a) has not previously been sent to the Applicant; and
  - (b) has been made available to the Disciplinary Tribunal Panel for the purposes of its consideration of the application.
- 7.8 If any statement, report or other document is subsequently obtained by the Case Manager which is relevant to the Disciplinary Tribunal Panel's consideration of the matter, this may be made available to the Disciplinary Tribunal Panel, subject to the Applicant being given a reasonable opportunity to consider and comment upon any such additional documentation prior to the Disciplinary Tribunal Panel making its determination.
- 7.9 Subject to rule 7.10 the Disciplinary Tribunal Panel shall hear the application in public.
- 7.10 The Disciplinary Tribunal Panel may, acting of its own motion or upon the application of any Party, hear the application, in full or in part, in private if there is good reason to do so.

- 7.11 The Disciplinary Tribunal Panel and the Parties shall be provided, as soon as reasonably practicable with:
- (a) the determination of the Disciplinary Tribunal Panel or Appeal Tribunal Panel which imposed or affirmed the exclusion or expulsion;
  - (b) any record of the proceedings before the Disciplinary Tribunal Panel, and where applicable before the Appeal Tribunal Panel;
  - (c) any relevant documentary and other evidence including papers from the Applicant in support of readmission.
- 7.12 Unless the Disciplinary Tribunal Panel determines otherwise, the order of proceedings at a readmission hearing shall be as follows:
- (a) the Institute shall:
    - (i) inform the Disciplinary Tribunal Panel of the background to the case, and, the circumstances in which the Applicant was expelled or excluded from membership; and
    - (ii) direct the attention of the Disciplinary Tribunal Panel to any relevant evidence and may call witnesses in relation to the Applicant's suitability for readmission to membership;

where the facts relating to any matter are in dispute the Institute shall bear the burden of proving such facts to the standard referred to in rule 1.4.
  - (b) the Applicant may provide any relevant evidence on which he intends to rely and call witnesses in relation to any relevant matter, including his suitability for readmission to membership;
  - (c) the Disciplinary Tribunal Panel may question the Parties;
  - (d) the Disciplinary Tribunal Panel shall determine, by simple majority, whether to accept or refuse the application;
  - (e) the Disciplinary Tribunal Panel shall give reasons for its determination.
- 7.13 In reaching its determination the Disciplinary Tribunal Panel shall consider all relevant factors including where appropriate the circumstances of the Applicant, the Applicant's behaviour since expulsion or exclusion, the steps which the Applicant has taken to keep up to date with professional standards and practice, the nature of any professional opportunities open to the Applicant and whether, if readmitted, the Applicant could be expected to uphold the standards expected of a Member.
- 7.14 The provisions of rule 6.18 shall apply to the hearing, and of rules 6.26 and 6.27 to the communication of the determination.

## 8 APPEALS

- 8.1 The Respondent may by notice appeal against:
- (a) a determination of a Disciplinary Tribunal Panel under Part 6 of this Scheme;
  - (b) an Interim Order; and/or
  - (c) a refusal of readmission to membership following disciplinary expulsion or exclusion.

### ***Appeal against a determination by the Disciplinary Tribunal Panel under Part 6***

- 8.2 A Notice of Appeal under rule 8.1 shall be given in writing and served upon the Chairman of the Appeals Tribunal no later than 28 days after the receipt by the Respondent of the written determination of the Disciplinary Tribunal Panel (or such longer period as the Chairman of the Disciplinary Tribunal Panel may decide on the application of the Respondent).
- 8.3 A Notice of Appeal under rule 8.1(a) shall request leave to appeal and state the grounds of the appeal. The grounds of appeal so stated shall not thereafter be amended except, reasonable cause having been shown, with the leave of the Appeal Tribunal Panel appointed under rule 2.31 to hear the appeal.
- 8.4 The Respondent may appeal on any one or more of the following grounds:
- (a) that the determination of the Disciplinary Tribunal Panel was manifestly unreasonable, inconsistent with the evidence or wrong in law; and/or
  - (b) that there was injustice because of a serious procedural or other irregularity in the proceedings before the Disciplinary Tribunal Panel; and/or
  - (c) that significant and relevant new evidence has come to light which was not previously available to the Respondent and could not have become available to him on the making of reasonable enquiry; and/or
  - (d) that the sanction imposed was manifestly unreasonable.
- 8.5 Upon receiving a Notice of Appeal the Chairman of the Appeals Tribunal shall, if satisfied that it discloses arguable grounds for appeal under rule 8.4, appoint an Appeal Tribunal Panel to hear the appeal in accordance with the provisions of this Scheme.
- 8.6 If the Notice of Appeal was not served within the timescale set out in rule 8.2 the Chairman of the Appeals Tribunal shall refuse leave to appeal, except that, in exceptional circumstances, and upon the basis of reasonable cause shown, he shall be entitled to accept a referral outwith this time period.
- 8.7 If in the Chairman's absolute discretion leave to appeal is not granted, the determination of the Disciplinary Tribunal Panel shall continue to apply.
- 8.8 Where the Respondent has been expelled, excluded or suspended under rule 6.23 or where any Certificate of the Respondent has been withdrawn or suspended



under rule 6.23, the Respondent shall remain suspended, excluded or expelled from membership and the Certificate of the Respondent shall remain withdrawn or suspended as the case may be until the appeal has been determined.

- 8.9 The secretary of the Appeals Tribunal shall provide to the Chairman of the Appeals Tribunal as soon as reasonably practicable:
- (a) the determination of the Disciplinary Tribunal Panel;
  - (b) any record of the proceedings before it; and
  - (c) any documentary evidence and any other evidence and written submissions placed before it.
- 8.10 The Chairman of the Appeal Tribunal Panel shall appoint a hearing of the appeal and shall give reasonable notice in writing of the hearing to the Parties, but such hearing shall be vacated in the event of the Respondent withdrawing his Notice of Appeal.
- 8.11 At any time before the determination of the appeal by the Appeal Tribunal Panel the Respondent may withdraw his Notice of Appeal by writing to the secretary of the Appeals Tribunal, whereupon the appeal shall be deemed dismissed and the Appeal Tribunal Panel shall, if requested to do so by any Party, consider the making of a cost determination pursuant to rule 8.16(c).
- 8.12 Subject to rule 8.13, the hearing of the appeal shall normally be by way of review of the papers provided under rule 8.9 and shall be conducted in private.
- 8.13 The Appeal Tribunal Panel may, at the absolute discretion of its Chairman, permit an oral appeal hearing and:
- (a) give the Respondent a reasonable opportunity to be heard before it and to call any witnesses before the Appeal Tribunal Panel;
  - (b) hear or re-hear any witnesses who gave oral evidence before the Disciplinary Tribunal Panel;
  - (c) admit fresh evidence if it is reasonable and in the interests of justice to do so; and
  - (d) obtain legal or other advice or opinions as appropriate.
- 8.14 Subject to rule 8.15, any oral hearing of the Appeal Tribunal Panel shall be in public.
- 8.15 The Appeal Tribunal Panel may, acting of its own motion or upon the application of any Party, hear any oral appeal, in full or in part, in private if there is good reason to do so.
- 8.16 The Appeal Tribunal Panel shall make one or more of the following determinations on the appeal:
- (a) affirm, vary or rescind any determination of the Disciplinary Tribunal Panel;

- (b) substitute any other determination or determinations which the Disciplinary Tribunal Panel may have made, which may include substituting a more severe sanction;
  - (c) make an award of costs against the Respondent or Institute as it considers appropriate.
- 8.17 The Appeal Tribunal Panel shall make its determination by simple majority.
- 8.18 The determination of the Appeal Tribunal Panel shall be final.
- 8.19 A determination of the Appeal Tribunal Panel shall be served upon the Respondent forthwith, which determination shall, subject to rule 9.2(a), be effective from the date of its making. The Appeal Tribunal Panel's reasons shall be served upon the Respondent when the determination is served or as soon as reasonably practicable thereafter.
- 8.20 The Appeal Tribunal Panel shall also communicate its determination and reasons to:
- (a) the Disciplinary Tribunal Panel;
  - (b) the Case Manager;
  - (c) the person who made the Allegation under rule 3.2;
  - (d) the Disciplinary Board; and
  - (e) the Institute.

### ***Appeal against Interim Orders***

- 8.21 A Notice of Appeal under rule 8.1(b) shall be given in writing and served upon the Case Manager and upon the Chairman of the Appeals Tribunal no later than 14 days after the making of an Interim Order under rule 3.29 (or such longer period as the Chairman of the Appeals Tribunal may decide on the application of the Respondent).
- 8.22 Any Notice of Appeal shall:
- (a) identify the Interim Order or determination appealed against; and
  - (b) state the ground(s) of appeal; and
- neither the scope of the appeal, nor the grounds so stated, shall be amended or changed except, reasonable cause having been shown, with the leave of the Appeal Tribunal Panel appointed to hear the appeal.
- 8.23 The Interim Order shall remain in force until the appeal is determined.
- 8.24 The secretary of the Appeals Tribunal shall notify the person who made the Allegation under rule 3.3 of any appeal under rule 8.1(b).
- 8.25 The Chairman of the Appeal Tribunal Panel shall appoint a hearing of the appeal and shall give reasonable notice in writing of the hearing to the Parties, but such

hearing shall be vacated in the event of the Respondent withdrawing his Notice of Appeal.

- 8.26 At any time before the determination of the appeal by the Appeal Tribunal Panel the Respondent may withdraw his Notice of Appeal whereupon the appeal shall be deemed dismissed and the Appeal Tribunal Panel shall, if requested to do so by any Party, consider the making of a cost determination pursuant to rule 8.16(c).
- 8.27 Subject to rule 8.28, the hearing of the appeal shall normally be by way of review of the papers and shall take place in private.
- 8.28 The Appeal Tribunal Panel may, at the absolute discretion of its Chairman, permit an oral hearing and:
- (a) give the Respondent a reasonable opportunity to be heard before it on the question of whether an Interim Order should be imposed;
  - (b) admit fresh evidence relevant to whether an Interim Order should be affirmed, if it is reasonable and in the interests of justice to do so; and
  - (c) obtain such legal or other advice or opinions as appropriate.
- 8.29 Subject to rule 8.30, any oral hearing of the Appeal Tribunal Panel arising from an appeal against an Interim Order shall be in private.
- 8.30 Oral hearings of the Appeal Tribunal Panel arising from an appeal against an Interim Order shall be held in public whenever the Respondent so requests. In the event of a public hearing the Appeal Tribunal Panel may, acting of its own motion or upon the application of any Party, hold all or part of the hearing in private if there is good reason to do so.
- 8.31 The Appeal Tribunal Panel shall make one or more of the following determinations on the appeal:
- (a) affirm, vary or rescind any determination of the Interim Orders Panel;
  - (b) substitute any other determination or determinations which the Interim Orders Panel may have made;
  - (c) make an award of costs against the Respondent or Institute as it considers appropriate.
- 8.32 The Appeal Tribunal Panel shall make its determination by simple majority.
- 8.33 The determination of the Appeal Tribunal Panel shall be final.
- 8.34 A determination of the Appeal Tribunal Panel shall be served upon the Respondent forthwith, which determination shall be effective from the date of its making. The Appeal Tribunal Panel's reasons shall be served upon the Respondent when the determination is served or as soon as reasonably practicable thereafter.

- 8.35 The Appeal Tribunal Panel shall also communicate its determination and reasons to:
- (a) the Interim Orders Panel;
  - (b) the Case Manager;
  - (c) the person who made the Allegation under rule 3.2;
  - (d) the Disciplinary Board; and
  - (e) the Institute.

***Appeal against refusal of readmission to membership following disciplinary expulsion or exclusion***

- 8.36 An Applicant whose application for readmission is refused may, within 28 days of the date on which the written reasons for such refusal are sent to him, serve in writing a notice of appeal addressed to the Chairman of the Appeals Tribunal.
- 8.37 The determination of the Disciplinary Tribunal Panel regarding readmission to membership shall remain in force until the appeal is determined.
- 8.38
- (a) A notice of appeal shall state the grounds of appeal.
  - (b) The grounds of appeal shall be one or more of the following:
    - (i) that the determination was manifestly unreasonable, and/or inconsistent with the evidence and/or wrong in law; and/or
    - (ii) that there was injustice because of a serious procedural or other irregularity in the proceedings before the Disciplinary Tribunal Panel; and/or
    - (iii) that significant and relevant new evidence has come to light which was not previously available to the Applicant and could not reasonably have been made available to the Disciplinary Tribunal hearing.
  - (c) If the Chairman of the Appeals Tribunal considers that there is an arguable basis for the appeal on any of the foregoing grounds he shall grant leave to appeal and shall appoint an Appeal Tribunal Panel to hear the appeal.
  - (d) Thereafter the grounds for appeal may not be amended without the leave, on reasonable cause shown, of the Appeal Tribunal Panel or its Chairman.
  - (e) If the Chairman decides not to grant leave to appeal, he shall issue to the Parties and the Disciplinary Board written reasons for his decision, and his decision shall be final.
- 8.39 At any time before the determination of the appeal by the Appeal Tribunal Panel the Respondent may withdraw his Notice of Appeal, whereupon the appeal shall be deemed dismissed and the Appeal Tribunal Panel shall, if requested to do so by any Party, consider the making of a cost determination pursuant to rule 8.44(d).

- 8.40 Subject to rule 8.41, the hearing of the appeal shall normally be by way of review of the papers and shall take place in private.
- 8.41 The Appeal Tribunal Panel may, at the absolute discretion of its Chairman, permit an oral hearing and:
- (a) hear new evidence adduced pursuant to rule 8.38(b)(iii); and/or
  - (b) permit the Applicant and/or the Case Manager to make oral representations and call any witnesses.
- 8.42 The Appeal Tribunal Panel and the Parties shall be provided, as soon as reasonably practicable, with:
- (a) the determination of the Disciplinary Tribunal Panel which refused readmission;
  - (b) any record of the proceedings before it;
  - (c) any documentary evidence and any other evidence and written submissions placed before it; and
  - (d) the Notice of Appeal and supporting papers.
- 8.43 Any oral hearing of the Appeal Tribunal Panel shall be in public except that the Appeal Tribunal Panel may, acting of its own motion or upon the application of any Party, determine to conduct the oral hearing, in full or in part, in private, if there is good reason to do so.
- 8.44 The Appeal Tribunal Panel may:
- (a) affirm the refusal of the application, and may also determine that a further application from the Applicant should not be considered within a specific period of time (having regard to rule 7.1); or
  - (b) allow the appeal, granting readmission; or
  - (c) if it is of the view that it is necessary in the interests of justice to do so, in light of new evidence adduced pursuant to rule 8.38(b)(iii);
    - (i) remit the application to a Disciplinary Tribunal Panel for rehearing; and
    - (ii) when remitting the application, specify whether it should be re-heard by the same Disciplinary Tribunal Panel whose determination had been appealed or by a newly constituted Disciplinary Tribunal Panel;
- and
- (d) may make an award of costs against the Respondent and/or Faculty/Institute as it considers appropriate.
- 8.45 The provisions of rules 8.17 to 8.20 shall also apply to appeals under this rule.

## **9 COSTS ORDERS AND FINES**

- 9.1 A fine or an award of costs made by the Disciplinary Tribunal Panel or by the Appeal Tribunal Panel shall be recoverable by the Party in whose favour the order is made as a debt due from the Party against whom the order is made.
- 9.2 Any fine payable or costs ordered to be paid shall be paid by the Respondent within 28 days:
- (a) of the receipt of the Disciplinary Tribunal Panel's determination unless Notice of Appeal is given in which case the period of 28 days begins from the notification, as the case may be, of the Appeal Tribunal Panel's decision to refuse leave under rule 8.7, or of the dismissal of the appeal under rule 8.11, or of the determination of the appeal under rule 8.16; or
  - (b) of the Respondent's acceptance of the invitation of the Adjudication Panel under rules 4.6 and 4.10.
- 9.3 If a Respondent does not pay any fine or award of costs imposed under this Scheme or the AADB Scheme in the time required, he may be guilty of Misconduct and further disciplinary proceedings may be commenced against him under this Scheme.

## **10 DISCIPLINARY BOARD**

- 10.1 The functions of the Disciplinary Board shall comprise:
- (a) overseeing the management and operation of this Scheme;
  - (b) deciding the maximum fine which an Adjudication Panel may invite a Respondent to pay under rule 4.6(b);
  - (c) providing bi-annual reports to the Council and the Council of the Faculty and such other interim reports on specific issues as it deems necessary;
  - (d) producing an annual report to the profession;
  - (e) setting and monitoring time frames for investigations and proceedings under this Scheme;
  - (f) organising training of those involved in this Scheme;
  - (g) receiving and considering reports from the Independent Examiner, from any Chairman, committee, panel or tribunal appointed under this Scheme, from the AADB regarding Allegations considered under the AADB Scheme and from the Chief Executive of the Profession on the operation of this Scheme;
  - (h) making and varying such regulations (not being inconsistent with the provisions of the Charter, the Supplemental Charter, the Bye-laws or this Scheme) as it may consider necessary for the implementation of this Scheme and for the performance by Investigation Actuaries, Interim Orders Panels, Adjudication Panels, Disciplinary Tribunal Panels and Appeal Tribunal Panels

of their respective functions under this Scheme;

- (i) providing guidance on procedure it considers appropriate not being inconsistent with this Scheme for the performance of functions under this Scheme;
- (j) giving feedback to the Council, the Council of the Faculty and/or the Financial Reporting Council and/or any of its operating bodies on lessons learned from any proceedings conducted under this Scheme, in respect of any standards, advice, guidance, memorandum or statement on professional conduct, practice or duties issued by them;
- (k) providing such guidance on procedure as it considers necessary for the performance by the Institute of functions under rule 1.23;
- (l) providing advice and guidance to the Council and the Council of the Faculty about entering into mutual disciplinary agreements with actuarial regulatory bodies outside the UK who are members of the International Actuarial Association; and
- (m) such other functions as shall be agreed from time to time by the Council and the Council of the Faculty.

10.2 The Disciplinary Board may at any time, subject to the agreement of the Council and the Council of the Faculty or such other body delegated by them for the purpose, arrange for a review of the provisions and operation of this Scheme or any aspect of it to be undertaken.

10.3 The Disciplinary Board shall from time to time provide guidelines for the manner in which sanctions involving education, retraining and/or supervised practice under this Scheme may be imposed. Such guidelines shall be published by the Institute.

## **11 GENERAL PROVISIONS**

11.1 Subject to rule 12.15, where, having regard to the interests of the public and/or of the profession, an Honorary Secretary of the Institute considers it appropriate that a matter relating to the conduct of a Member should be investigated, such matter may be referred by him for consideration as an Allegation under this Scheme; thereafter the matter shall proceed for the purposes of this Scheme as if the Allegation had been made to the Institute under rule 3.2 save that the provisions of Part 5 of this Scheme shall not apply.

11.2 In this Scheme, any function which may be undertaken by:

- (a) the Chairman of the Disciplinary Appointments Committee;
- (b) the Chairman of the Investigation Actuaries Pool;
- (c) the Convener of the Interim Orders Panels;
- (d) the Convener of the Adjudication Panels;
- (e) the Convener of the Disciplinary Tribunal Panels;

(f) the Chairman of the Appeals Tribunal; or

(g) the Chairman of the Disciplinary Board,

may be undertaken by any Deputy Chairman or Deputy Convener of that body previously so nominated or appointed or, in the absence of such a Deputy Chairman or Deputy Convener, by such other member of the body as the Chairman or Convener of the body shall designate for that purpose, in each case in the event that the Chairman/Convener or Deputy Chairman/Deputy Convener shall be unavailable to fulfil that function.

11.3 Anyone who serves as an Investigation Actuary, on an Interim Orders Panel, an Adjudication Panel, a Disciplinary Tribunal Panel or an Appeal Tribunal Panel, or as the Independent Examiner, shall be entitled to such remuneration as the Disciplinary Appointments Committee provides for.

11.4 It is intended that this Scheme shall be operated in conjunction with the disciplinary scheme of the Faculty and accordingly:

(a) any investigation into the conduct of a Member or Members may be undertaken in conjunction with an investigation into the conduct of a Member or Members of the Faculty;

(b) save where fairness requires otherwise, any proceedings under this Scheme may be dealt with, or heard, with related proceedings under the disciplinary scheme of the Faculty;

(c) an Allegation concerning a person who is a Member and a member of the Faculty shall proceed under this Scheme and under the disciplinary scheme of the Faculty simultaneously with a single Case Manager, Investigation Actuary, Interim Orders Panel, Adjudication Panel, Disciplinary Tribunal Panel and Appeal Tribunal Panel as the case may be;

(d) a Case Manager or an Investigation Actuary appointed by the Faculty under its disciplinary scheme shall have the power to require of a Member those matters specified in rule 3.11(a), 3.11(b), and 3.11(c) of this Scheme; a Member who fails to comply with such obligations, or to cooperate in accordance with rules 1.18 to 1.21, and a Member who hinders or frustrates a Case Manager or an Investigation Actuary appointed by the Faculty may be liable for Misconduct;

(e) any person appointed to a position or body under Part 2 of this Scheme may be appointed to an equivalent position or body under the disciplinary scheme of the Faculty;

(f) the provisions of rules 2.40 and 2.41 shall apply to a person who is appointed to the Disciplinary Appointments Committee or the Disciplinary Board under the provisions of the disciplinary scheme of the Faculty; and

(g) the provisions of rules 2.43 and 2.45 shall apply as if for "Member" there is substituted the term "member of the Faculty", for "Misconduct" there is substituted the term "Misconduct under the disciplinary scheme of the Faculty", and for "this Scheme" there is substituted the term "the disciplinary



scheme of the Faculty”.

- 11.5 An Interim Orders Panel, an Adjudication Panel, a Disciplinary Tribunal Panel and an Appeal Tribunal Panel (or the Chairman of such Panel as the case may be) may give all such directions with regard to the conduct of and procedure at meetings or hearings as it considers most suitable for the clarification of the issues and generally for the just handling of the proceedings before it. This includes the power to vary the time limits set out in this Scheme and to adjourn any meeting or hearing. Any such Panel or Chairman shall at their discretion be entitled to accept written undertakings from the Respondent.
- 11.6 The failure by a Respondent to comply with an undertaking accepted under rule 11.5 shall amount to *prima facie* evidence of Misconduct. Evidence of such non-compliance may be referred, on the application of the Case Manager, for the consideration, as the case may be, of the Adjudication Panel, Interim Orders Panel, Disciplinary Tribunal Panel or Appeals Tribunal Panel by whom the undertaking is accepted. Such Panel shall be recalled for this purpose (but may be of new composition) and, in considering such evidence, such Panel shall take such steps as it shall see fit and shall have available to it all of the powers, including powers of sanction, otherwise available to it under this Scheme.
- 11.7 An Interim Orders Panel, Adjudication Panel, Disciplinary Tribunal Panel or Appeals Tribunal Panel (or the Chairman of any such Panel) or the Convener of Adjudication Panels may at their discretion suspend an investigation and/or any disciplinary proceedings under this Scheme. Before deciding to suspend such investigation or proceedings, the said Panel or Convener must be satisfied that the Respondent has been accorded a reasonable opportunity to make submissions in relation to the application, and shall consider any such submissions made by the Respondent. Any such Panel or Chairman, or the Convener of Adjudication Panels, may, on the application of either party, direct that a suspended investigation is resumed.
- 11.8 Save where fairness requires otherwise, any hearing or meeting of an Interim Orders Panel, an Adjudication Panel, a Disciplinary Tribunal Panel or an Appeal Tribunal Panel can deal with Allegations, Case Reports or Charges involving one or more Respondents and for such purpose appropriate directions may be given under rule 11.5.
- 11.9 Provided that an Interim Orders Panel, a Disciplinary Tribunal Panel or an Appeal Tribunal Panel is satisfied that the Respondent has been given reasonable notice of a hearing, the proceedings of that body shall be valid and of full effect even if the Respondent does not attend, is not represented or does not state his case.
- 11.10 All documents put before an Interim Orders Panel, an Adjudication Panel, a Disciplinary Tribunal Panel or an Appeal Tribunal Panel shall be deemed to be authentic. If a Party challenges the authenticity of any document the relevant body shall consider the objections raised by such Party (and any evidence raised in rebuttal), and shall, on the basis of such representations, give the evidence contained in such document such weight as it thinks fit.

- 11.11 Any notice or other document required by any provision of this Scheme to be given or sent to a Party may be sent by pre-paid post addressed to him at his address notified to the Institute for communications, or, if the Institute is aware that this address is no longer current for him, to his usual or last known place of business or residence. Service of any notice or document shall be deemed to have been effected at the end of 48 hours from the time of posting, and in proving that a document was so sent it shall be sufficient to prove that the cover containing it was properly addressed, stamped and posted.
- 11.12 The Disciplinary Board shall, as soon as reasonably practicable, be given:
- (a) by the Case Manager brief particulars of any Allegation made under this Scheme after it is assigned for investigation; and
  - (b) by the Chairman of each of an Interim Orders Panel, an Adjudication Panel, a Disciplinary Tribunal Panel or an Appeal Tribunal Panel (as the case may be) a report on the proceedings under this Scheme, containing such particulars as he shall consider appropriate.
- 11.13 The following matters shall be made public by the Institute as soon as reasonably practicable in accordance with arrangements prescribed by the Disciplinary Board under rule 11.14:
- (a) the making, rescission or variation of an Interim Order;
  - (b) the referral by an Adjudication Panel of matters in a Case Report to a Disciplinary Tribunal Panel under rule 4.4(a)(ii);
  - (c) the determination and, where applicable, any sanction imposed by an Adjudication Panel resulting from the acceptance by a Respondent under rule 4.10 of an invitation by the Adjudication Panel under rule 4.6;
  - (d) any final determination of a Disciplinary Tribunal Panel; and
  - (e) any final determination of an Appeal Tribunal Panel.
- 11.14 The Disciplinary Board shall prescribe such arrangements as it thinks fit for the manner in which the following shall be published as soon as reasonably practicable:
- (a) determinations of an Adjudication Panel to refer to a Disciplinary Tribunal Panel or, to find Misconduct, and, where relevant, to reprimand, fine or require the completion of a period of education, retraining and/or supervised practice;
  - (b) the election by the Respondent to refer a matter to a Disciplinary Tribunal Panel under rule 3.18;
  - (c) Interim Orders and the rescission or variation of those orders;
  - (d) determinations (with reasons) of a Disciplinary Tribunal Panel and Appeal Tribunal Panel;

- (e) referrals to a Disciplinary Tribunal Panel and Appeal Tribunal Panel;
- (f) date(s) and place of any public hearings to be held under this Scheme.

11.15 At any hearing of an Interim Orders Panel, a Disciplinary Tribunal Panel (including any procedural hearing before the Chairman) or an Appeal Tribunal Panel, the Respondent may be:

- (a) represented by a solicitor, barrister or advocate, or another Member or member of the Faculty or such other person as the Chairman of the relevant panel may agree, provided that this does not unreasonably delay any such hearing; and
- (b) accompanied by a friend or member of his family, or by another Member or member of the Faculty, but the accompanying person may remain during any private session of the relevant panel only with the agreement of the panel.

11.16 The following arrangements shall apply in respect of Members who are resident and/or practising outside the UK:

- (a) The Disciplinary Board may prescribe such arrangements as it sees fit for the implementation under this Scheme of any disciplinary determination imposed on a Member by his Primary Professional Regulator.
- (b) The Disciplinary Board may prescribe such arrangements for investigation and determination of Allegations against all other Members who are resident and/or practising outside the UK as seem appropriate under the circumstances to accord as nearly as possible with this Scheme.

11.17 Provisions of this Scheme shall form part of the Bye-laws and may be rescinded, varied or added to accordingly.

## **12 THE ACCOUNTANCY AND ACTUARIAL DISCIPLINE BOARD (the AADB)**

### ***Duty to co-operate***

12.1 The Respondent and any Member (not being a Respondent) shall ensure his or her full and prompt co-operation with the AADB and/or its representatives in connection with any investigation under the AADB Scheme, and in particular (but without limitation) provide the AADB with all information and copies of documents relevant to the investigation which are in the Member's control.

### ***Call-in of cases by the AADB***

12.2 If, before the making of any determination under rule 4.4, or as the case may be the exercise by the Respondent of the right of election under rule 3.18, the Institute receives notice in writing from the AADB that the AADB is considering whether an Allegation currently being dealt with under this Scheme should be investigated under the AADB Scheme, then:

- (a) any action in relation to that Allegation under this Scheme shall immediately be suspended; and
  - (b) the Respondent, the person who made the Allegation under rule 3.2, the Investigation Actuary, the Disciplinary Board and, if appropriate, the Adjudication Panel shall be informed that investigation of the Allegation is suspended pending the determination of the AADB as to whether the Allegation should be investigated under the AADB Scheme.
- 12.3 Where the AADB determines that the Allegation should be investigated under the AADB Scheme:
  - (a) no further investigation shall be undertaken, and no determination shall be made, under this Scheme; and
  - (b) the Respondent, the person who made the Allegation under rule 3.2, the Investigation Actuary, the Disciplinary Board and, if appropriate, the Adjudication Panel shall be informed that the Allegation will be investigated by the AADB.
- 12.4 Where the AADB determines that the Allegation should not be investigated under the AADB Scheme:
  - (a) any action in relation to that Allegation under this Scheme may be recommenced; and
  - (b) the Respondent, the person who made the Allegation under rule 3.2, the Investigation Actuary, the Disciplinary Board and, if appropriate, the Adjudication Panel shall be informed that investigation of the Allegation under this Scheme has resumed.

***Referral of cases to the AADB prior to an investigation under this Scheme***

- 12.5 Where an Allegation is received under rule 3.2 by the Institute that relates to matters that are the subject of an investigation under the AADB Scheme no action shall be taken by the Institute in relation to that Allegation under this Scheme.
- 12.6 Where the Chairman of the Pool of Investigation Actuaries considers that the Allegation should be referred for consideration under the AADB Scheme he shall refer the Allegation to the AADB to determine whether or not to accept the referral.
- 12.7 Where the AADB decides to accept a referral under rule 12.6 the Chairman of the Pool of Investigation Actuaries shall:
  - (a) take no further action under this Scheme in relation to the Allegation; and
  - (b) inform the Respondent, the person who made the Allegation under rule 3.2, and the Disciplinary Board that the Allegation will be investigated by the AADB.

- 12.8 Where the AADB declines to accept a referral made under rule 12.6, the Chairman of the Pool of Investigation Actuaries shall proceed under rule 3.3 of this Scheme with the investigation of the Allegation.

***Referral of cases to the AADB during an investigation under this Scheme***

- 12.9 Where, at any stage during the course of an investigation, it appears to the Case Manager and/or Investigation Actuary that it is appropriate that an Allegation is referred for consideration under the AADB Scheme, the Case Manager and/or Investigation Actuary shall immediately refer the Allegation to the Chairman of the Pool of Investigation Actuaries.
- 12.10 Upon receipt of a referral under rule 12.9, where the Chairman of the Pool of Investigation Actuaries considers that the Allegation should be referred for consideration under the AADB Scheme, he shall:
- (a) forthwith suspend any further investigation of the Allegation under this Scheme; and
  - (b) proceed in accordance with rules 12.6 and 12.7.
- 12.11 Where the AADB declines to accept a referral under rule 12.10, the Chairman of the Pool of Investigation Actuaries shall, in accordance with rule 3.3, assign the Allegation to an Investigation Actuary to recommence investigation under this Scheme. Any assignment under this rule may be to the Investigation Actuary who acted under rule 12.9, or to an Investigation Actuary newly appointed under rule 3.6.

***Referral of cases to the AADB by an Adjudication Panel***

- 12.12 Before making any determination under rule 4.4, if the Adjudication Panel considers that any matter raised by the Allegation included in a Case Report should be referred for consideration under the AADB scheme, the Chairman of the Adjudication Panel shall:
- (a) refer the Allegation to the AADB to determine whether or not to accept the referral; and
  - (b) adjourn consideration of the Case Report and notify the Respondent, the person who made the Allegation under rule 3.2 and the Investigation Actuary accordingly.
- 12.13 Where the AADB decides to accept the referral under 12.12 the Chairman of the Adjudication Panel concerned shall:
- (a) arrange for the Adjudication Panel to take no further action under this Scheme in relation to the Case Report; and
  - (b) inform the Respondent, the person who made the Allegation under rule 3.2, the Investigation Actuary and the Disciplinary Board, that the Allegation will be investigated by the AADB.

- 12.14 Where the AADB declines the referral made under rule 12.12:
- (a) an Adjudication Panel shall resume consideration of the Case Report under this Scheme; and
  - (b) the Convener of Adjudication Panels shall determine whether the Adjudication Panel should be the Panel which acted under rule 12.12 or a Panel newly appointed for the purpose.

***Referral of cases to the AADB prior to a referral under rule 11.1***

- 12.15 Before proceeding under rule 11.1 the Honorary Secretary shall first consider whether, having regard to all the circumstances, it is appropriate that the matter is referred to the AADB scheme and, if so, he shall refer the matter for decision by the AADB whether to accept the referral.
- 12.16 Where the AADB decides to accept the referral, the Honorary Secretary shall:
- (a) take no further action under this Scheme in relation to the matter; and
  - (b) inform the Respondent and the Disciplinary Board of the referral.
- 12.17 Where the AADB declines the referral the Honorary Secretary shall proceed under rule 11.1.

***Enforcement of AADB sanctions and findings***

- 12.18 Subject to rule 12.19, any finding made or sanction imposed under the AADB Scheme shall be put into effect, for the purposes of enforcement only, as if it were made or imposed under this Scheme.
- 12.19 Rule 12.18 only has effect in relation to a finding or sanction against which there is no possibility of appeal within the AADB Scheme, either because all routes of appeal have been exhausted or because no notice of appeal against the finding made or sanction imposed has been received by the AADB within the time limit set out under the AADB Scheme.

***Enforcement of costs awarded by the AADB***

- 12.20 Where costs are awarded against a Member in accordance with the AADB Scheme, that Member shall pay the costs so ordered in accordance with the AADB Scheme.

**13 COMMENCEMENT AND TRANSITIONAL PROVISIONS**

***Commencement***

- 13.1 The provisions of this version of this Scheme shall come into force on such day(s) as the Council may by resolution determine and shall be applicable to all matters arising from Allegations received under rules 3.2 or 11.1, on or after that date.

### ***Transitional provisions***

- 13.2 Subject to rule 13.3, all matters arising from Allegations received under rules 3.2 or 11.1 prior to the date on which this version of this Scheme comes into force shall be dealt with in accordance with the version of this Scheme in force at the date on which the Allegation was received; and the provisions of that version of this Scheme shall continue in force for the purpose of the consideration and determination of any such matter.
- 13.3 All persons appointed to the Disciplinary Appointments Committee, Disciplinary Pool, Appeals Tribunal, Pool of Investigation Actuaries, Disciplinary Board or Legal Advisers Pool, and the person appointed to the role of Independent Examiner, immediately prior to this version of this Scheme coming into force, shall be deemed to continue to be so appointed under this version of this Scheme on its coming into force.

## APPENDIX

In this Scheme, unless the context otherwise requires:

'AADB'	means the board established by the Articles of Association of The Accountancy and Actuarial Discipline Board Limited (and any other person or body exercising functions on behalf of or in succession to such board);
'AADB Scheme'	means the disciplinary scheme for the Actuarial Profession made and adopted by the AADB as amended and in force from time to time;
'Adjudication Panel'	means a panel appointed under rule 2.22;
'Advisory Report'	means a report referred to in rules 3.22 and 3.23;
'Allegation'	means a statement in writing addressed to the Institute containing an allegation or allegations to the effect that a named Member has or may have been guilty of Misconduct or a referral by the Honorary Secretary under rule 11.1, and includes such an Allegation relating to a person whose membership is suspended under this Scheme;
'Appeals Tribunal'	means the Appeals Tribunal referred to in rule 2.29;
'Appeal Tribunal Panel'	means a panel of the Appeals Tribunal appointed under rule 2.31;
'Applicant'	means a former Member, who has been expelled or excluded from membership and is applying for readmission to membership;
'Appropriate person'	means a person of good character who is fit to carry out a role under this Scheme;
'Board for Actuarial Standards'	means the operating body of that name appointed by the Financial Reporting Council Limited;
'Bye-laws'	means the Bye-laws of the Institute in force from time to time;
'Case Manager'	means a person appointed by the managements of the Institute and Faculty to manage the investigation of an Allegation, and any subsequent referrals to an Interim Orders Panel, or Disciplinary Tribunal Panel or Appeals Tribunal Panel, with advice and assistance from an Investigation Actuary;
'Case Report'	means a report referred to in rule 3.14;
'Certificate'	means any certificate issued pursuant to the Bye-laws;



'Charge'	means a formal allegation that a Member has been guilty of Misconduct defined in the document prepared by the Investigation Actuary under rule 4.16;
'Chief Executive of the Profession'	means the person appointed by the Council for the purpose of submitting reports to the Disciplinary Board pursuant to rule 10.1(g) on behalf of the Institute;
'Council'	means the Council of the Institute of Actuaries;
'Council of the Faculty'	means the Council of the Faculty of Actuaries;
'Disciplinary Appointments Committee'	means the committee appointed in rule 2.1;
'Disciplinary Board'	means the board referred to in rule 2.32;
'Disciplinary Pool'	means the pool referred to in rule 2.8;
'Disciplinary Tribunal Panel'	means a panel referred to in rule 2.26;
'Faculty'	means the Faculty of Actuaries;
'Faculty Scheme'	means the Disciplinary Scheme of the Faculty of Actuaries adopted under Rule 35 of the Rules and Bye-laws of the Faculty;
'Fellow'	means a Fellow of the Institute of Actuaries;
'Fellow of the Faculty'	means a Fellow of the Faculty of Actuaries;
'Independent Examiner'	means the person appointed under rule 2.17;
'Interim Order'	means an order provided for in rule 3.26;
'Interim Orders Panel'	means a panel referred to in rule 2.20;
'Investigation Actuary'	means an investigation actuary referred to in rule 3.3;
'Lay member'	means a person who is not and has never been a Member, Fellow, Associate, Affiliate or student of the Institute or of the Faculty or an Overseas Fellow Equivalent;
'Lead Investigation Actuary'	means a member of the Investigation Actuaries Pool nominated under rule 3.5(b);
'Legal Advisers Pool'	means the pool of barristers, advocates and solicitors nominated under rule 2.37;
'Memorandum of Understanding'	means an agreement entered into between, on the one hand, the Institute and, on the other hand, the Board for Actuarial Standards and/or the Financial Reporting Council Limited which provides, amongst other things, for the Board for Actuarial Standards to issue standards and the Institute to recognise those standards in its Disciplinary Scheme;

'Member'	means a member of the Institute of any class other than an Honorary Fellow;
'Misconduct'	means misconduct under rule 1.6;
'Overseas Fellow Equivalent'	means a person possessing a qualification which the Disciplinary Appointments Committee considers to be the local equivalent of the Institute's Fellowship obtained from an overseas actuarial regulatory body which is a full member of the International Actuarial Association;
'Party'	means a Respondent or the Case Manager, as the case may be;
'Pool of Investigation Actuaries'	means the pool referred to in rule 2.13;
'Primary Professional Regulator'	means another actuarial regulatory body outside the United Kingdom which is a full member of the International Actuarial Association and has been properly nominated by a Member in accordance with regulations prescribed by the Institute for this purpose;
'Respondent'	means the Member whose conduct is the subject of the matter of an Allegation or an investigation by or proceedings before an Interim Orders Panel, Adjudication Panel, Disciplinary Tribunal Panel or Appeal Tribunal Panel;
'rule'	means a rule of this Scheme;
'Scheme'	means this Disciplinary Scheme adopted under Bye-law 69.

*1 July 2009*