

INSTITUTE OF ACTUARIES

Established in 1848
and
Incorporated by Royal Charter 29 July 1884

CHARTER AND BYE-LAWS

Amalgamated Version

Including amendments to August 2007

The following text interpolates Articles of the Charter (Ch) and Supplemental Charter (S.Ch) with the Bye-laws (B) and Disciplinary Scheme (D). The preambles and certain historical Articles of the Charter and Supplemental Charter have been omitted. A full version is available on the profession's website, and the numbering of that version has been retained.

Section

I	Preliminary	Ch1&B2, Ch2, S.Ch1-2, Ch30
II	The Council	Ch3, Ch6, B3-6
III	Proceedings and Powers of the Council	Ch7-11, B7-29
IV	Officers of the Institute	Ch12-13, B30-33
V	Classes of Member, Their Rights and Privileges	Ch14, Ch23
	Fellow	Ch15, Ch24, B35-37
	Associate	Ch16, Ch25, B38-39
	Student	Ch17, Ch26, B40-42
	Honorary Fellow	Ch18, Ch27, B43-44
	Affiliate	Ch19, Ch27, B45-46
	Determination of Membership	Ch28, B47
VI	Admission of Members	Ch21, B48-59
VII	Examinations	Ch20, B60-61
VIII	Fees and Subscriptions	Ch22, B62-68
IX	Disciplinary Powers	B69
X	Reinstatement of Member	B70
XI	Investment Business	B71-74A
XII	Practising Certificates	B75-79
XIII	General Meetings	B80-95
XIV	Audit	B96-99
XV	Alteration of Charter and Bye-laws	S.Ch 4-5, B100
XVI	Indemnity of Council and Officers of the Institute	B101-102
XVII	Notices	B103-104
Schedule	Disciplinary Scheme	B69, D1-11

I. PRELIMINARY

Ch1. In the Charter:

B2. In the Bye-laws:

'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.

Ch2. 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.

S.Ch1. 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.

S.Ch2. 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 of the Institute 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.

Ch29 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.

II. THE COUNCIL

Ch3 There shall be a Council of the Institute chosen from Fellows of the Institute.

Ch6 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.

B3 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.

B4 (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.

B5 (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.

B6 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

Ch7 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.

Ch8 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.

Ch9 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.

Ch10 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.

Ch11 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.

B7 The Ordinary Meetings of the Council shall be held at such times and places as the Council may from time to time determine.

B8 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.

B9 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.

B10 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.

B11 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.

B12 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.

B13 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.

B14 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.

B15 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.

B16 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.

B17 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.

B18 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.

B19 Notwithstanding anything herein contained, the Council may from time to time borrow money and pay interest thereon.

B20 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.

B21 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.

B22 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.

B23 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.

B24 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.

B25 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.

B26 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.

B27 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.

B28 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.

B29 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

Ch12 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.

Ch13 The President and every Vice-President shall always be elected or appointed from among the Fellows.

THE PRESIDENT

B30 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

B31 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

B32 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

B33 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.

B34 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

Ch14 The Members of the Institute shall be of five classes (namely):

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

Ch23 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.

FELLOW

Ch15 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.

Ch24 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.

B35 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.

B36 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.

B37 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

Ch16 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.

Ch25 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.

B38 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.

B39 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

Ch17 There shall be eligible as Students persons of such qualifications and on such conditions as Bye-laws prescribe.

Ch26 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.

B40 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.

B41 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.

B42 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

Ch18 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.

Ch27 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.

B43 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.

B44 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

Ch19 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.

Ch27 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.

B45 A person who possesses such qualifications as the Council may from time to time require may be admitted as an Affiliate without examination.

B46 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

Ch28 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.

B47 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

Ch21 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.

TRANSFER, ELECTION AND ADMISSION OF FELLOWS AND ASSOCIATES

B48 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.

B49 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-law 35, 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.

B50 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.

B51 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.

B52 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.

B53 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.

B54 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 a 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.

B55. 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 10.1 of the Schedule to these Bye-laws as *prima facie* evidence of Misconduct as provided for in Rule 1.7 of the said Schedule.

ADMISSION OF STUDENTS

B56 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.

ELECTION OF HONORARY FELLOWS

B57 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.

ADMISSION OF AFFILIATES

B58 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

B59 (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

Ch20 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.

B60 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.

B61 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

Ch22 Bye-laws shall prescribe the amount of subscription fees or other charges respectively payable from time to time by Fellows, Associates, Students and Affiliates.

B62 (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.

B63 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.

B64 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.

B65 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.

B66 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.

B67 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.

B68 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

B69 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

B70 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

B71 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.

B72 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 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.

B73 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.

B74 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.

B74A 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

B75 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.

B76 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.

B77 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.

B78 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.

B79 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

B80 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.

B81 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.

B82 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

B83 Ordinary General Meetings shall be held at such times and places as the Council may from time to time appoint.

B84 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.

B85 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

B86. 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 delivered to Staple Inn, addressed to the President, no later than forty-eight hours before the Special General Meeting.

B87 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

B88 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.

B89 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.

B90 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.

B91 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.

B92 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.

B93 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.

B94 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.

B95 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

B96 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.

B97 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.

B98 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.

B99 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. ALTERATION OF CHARTER AND BYE-LAWS

S.Ch4 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.

S.Ch5 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.

B100 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

B101 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).

B102 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

B103. 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.

B104. 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 9 August 2007

and effective 13 September 2007

CONTENTS

	<u>Rule</u>
D1. Introduction and Scope.....	
• Interpretation	D1.1 – D1.3
• Burden and Standard of Proof	D1.4
• Misconduct	D1.5 - D1.12
D1A. The Accountancy and Actuarial Disciplinary Board (the AADB).....	
• Liability for disciplinary proceedings under the AADB Scheme	D1A.1
• Duty to co-operate	D1A.2
• Call-in by the AADB	D1A.3 – D1A.5
• Enforcement of AADB Sanctions and Findings	D1A.6 – D1A.7
• Enforcement of Costs awarded by the AADB	D1A.8
D2. Appointments.....	
• Disciplinary Appointments Committee	D2.1 - D2.5
• Disciplinary Pool.....	D2.6 - D2.10
• Pool of Investigating Actuaries.....	D2.11 - D2.14
• Independent Examiner	D2.15 - D2.17
• Interim Orders Panels	D2.18 - D2.19
• Adjudication Panels.....	D2.20 - D2.23
• Disciplinary Tribunal Panels.....	D2.24 - D2.25
• Appeals Tribunal	D2.26 - D2.28
• Disciplinary Board	D2.29 – D2.33
• Legal Advisers Pool	D2.34
• General.....	D2.35 – D2.48

D3. Investigation Stage	
• Complaints and Appointment of an Investigating Actuary	D3.1 – D3.5
• Investigations	D3.6 – D3.12C
• Content of a Case Report	D3.13 – D3.16
• Completion of an investigation	D3.17 – D3.18
• Interim Orders	D3.19 – D3.34
D4. Adjudication Panels	
• General	D4.1 – D4.12
• Charges	D4.13 – D4.15
D5. Complainant’s Right to Review.....	D5.1 – D5.12
D6. Disciplinary Tribunal Panels	
• Charges.....	D6.1 – D6.6
• Rights of the Respondent.....	D6.7 – D6.8
• Proceedings of other Courts and Tribunals	D6.9 – D6.10
• General Provisions for the Disciplinary Tribunal Panel.....	D6.11 – D6.16
• Hearings	D6.17 – D6.24
• Costs	D6.25
• Communication of Determination.....	D6.26 – D6.27
D7. Appeals.....	D7.1 – D7.19
D8. Costs Orders and Fines.....	D8.1 – D8.3
D9. Disciplinary Board.....	D9.1 – D9.3
D10. General Provisions.....	D10.1 – D10.15
D11. Commencement and Transitional Provisions	
• Commencement.....	D11.1
• Transitional Provisions.....	D11.2 – D11.5
Appendix.....	

D1. INTRODUCTION AND SCOPE

Interpretation

- D1.1 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.
- D1.2 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.
- D1.3 The Interpretation Act 1978 shall apply to this Scheme.

Burden and Standard of Proof

- D1.4 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

- D1.5 A Member shall be liable to disciplinary action under this Scheme if he has been guilty of Misconduct.
- D1.6 For the purposes of this Scheme, Misconduct means:
- (a) any breach of the Bye-laws of the Institute; and/or
 - (b) 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 any 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.
- D1.7 It shall amount to *prima facie* evidence of Misconduct that the Respondent has before a court of competent jurisdiction in the United Kingdom or elsewhere pleaded guilty to, or been found guilty of, an indictable offence or has in any civil proceedings been found to have acted fraudulently or dishonestly, or has failed to comply with an undertaking given pursuant to Bye-law 55.

- D1.8 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.
- D1.9 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 Investigating 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 4.8 in respect of any Misconduct committed notwithstanding that his Membership has ceased.
- D1.10 A Member may be liable for Misconduct when that Member:
- (a) fails to comply with his obligations under rule 3.11;
 - (b) hinders or frustrates the Investigating Actuary in his functions; or
 - (c) fails to pay any fine or award of costs under this Scheme within the period set by or agreed with the appropriate tribunal or panel.
- D1.11 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.
- D1.12 For the purposes of rule 1.11 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.

D1A. THE ACCOUNTANCY AND ACTUARIAL DISCIPLINARY BOARD (the AADB)

Liability for disciplinary proceedings under the AADB Scheme

- D1A.1 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.

Duty to co-operate

- D1A.2 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 by the AADB

- D1A.3 If, before the making of any determination under rule 4.2, or as the case may be the exercise by the Respondent of the right of election under rule 3.17, the Institute receives notice in writing from the AADB that the AADB is considering whether a Complaint currently being dealt with under this Scheme should be investigated under the AADB Scheme, then:
- (a) any action in relation to that Complaint under this Scheme shall immediately be suspended; and
 - (b) the Respondent, the Complainant, the Investigating Actuary, the Disciplinary Board and, if appropriate, the Adjudication Panel shall be informed that investigation of the Complaint is suspended pending the determination of the AADB.
- D1A.4 Where the AADB determines that the Complaint 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 Complainant, the Investigating Actuary, the Disciplinary Board and, if appropriate, the Adjudication Panel shall be informed that the Complaint will be investigated by the AADB.
- D1A.5 Where the AADB determines that the Complaint should not be investigated under the AADB Scheme:
- (a) any action in relation to that Complaint under this Scheme may be recommenced; and
 - (b) the Respondent, the Complainant, the Investigating Actuary, the Disciplinary Board and, if appropriate, the Adjudication Panel shall be informed that investigation of the Complaint under this Scheme has resumed.

Enforcement of AADB Sanctions and Findings

- D1A.6 Subject to rule 1A.7, 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.
- D1A.7 Rule 1A.6 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

- D1A.8 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.

D2. APPOINTMENTS

Disciplinary Appointments Committee

- D2.1 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,
- all holding office for a term of three years, such term being renewable.
- D2.2 The Chairman of the Disciplinary Appointments Committee shall be the Lay member appointed under rule 2.1(c).
- D2.3 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.
- D2.4 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.
- D2.5 Decisions of the Disciplinary Appointments Committee shall be made by simple majority.

Disciplinary Pool

- D2.6 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.
- D2.7 Members of the Disciplinary Pool shall consist of Fellows, Fellows of the Faculty and Lay members.
- D2.8 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.
- D2.9 The Disciplinary Appointments Committee shall nominate from the Disciplinary Pool:
- (a) a Convenor and Deputy Convenor of the Disciplinary Tribunal Panels;
 - (b) a Convenor and Deputy Convenor of the Interim Orders Panels; and
 - (c) a Convenor and Deputy Convenor of the Adjudication Panels,
- save that no person can occupy more than one position under this rule.
- D2.10 The appointments under rule 2.6 and nominations under rule 2.9 shall be for a term of three years, such term being renewable.

Pool of Investigating Actuaries

- D2.11 The Disciplinary Appointments Committee shall appoint a Pool of Investigating Actuaries who shall consist of Fellows and Fellows of the Faculty, each holding office for a term of three years, such term being renewable.
- D2.12 The Disciplinary Appointments Committee shall nominate two of the Pool of Investigating Actuaries to be the Chairman and Deputy Chairman of the Pool of Investigating Actuaries respectively each holding office for a term of three years, such term being renewable.
- D2.13 In appointing members to the Pool of Investigating Actuaries, the Disciplinary Appointments Committee shall have regard to the numbers of Investigating Actuaries likely to be required for the purposes of the proper functioning of this Scheme.
- D2.14 At the request of the Chairman of the Pool of Investigating 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 Investigating Actuaries a Fellow or Fellow of the Faculty as an Investigating Actuary for the purpose

of the investigation of a specified Complaint.

Independent Examiner

- D2.15 The Disciplinary Appointments Committee shall appoint an Independent Examiner who shall be a Lay member.
- D2.16 The Independent Examiner shall be appointed for a term of three years, such term being renewable.
- D2.17 Should the Independent Examiner appointed under rule 2.15 be unavailable for any reason to fulfil his functions under Part 5 of these rules, the Disciplinary Appointments Committee may appoint a further Independent Examiner under rule 2.15 in relation to that referral until such further Independent Examiner has completed his report on the referral or for as long as the Disciplinary Appointments Committee shall deem appropriate.

Interim Orders Panels

- D2.18 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 3.21.
- D2.19 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.

Adjudication Panels

- D2.20 Each Adjudication Panel shall consist of three or more members, 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.
- D2.21 One of the members appointed to each panel under rule 2.20 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.
- D2.22 An Adjudication Panel may consider one or more Case Reports submitted under the provisions of rule 3.18.
- D2.23 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 5.7.

Disciplinary Tribunal Panels

- D2.24 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.
- D2.25 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

- D2.26 The Appeals Tribunal shall consist of 14 members appointed in accordance with the following provisions:
- (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) two Fellows appointed by the Disciplinary Appointments Committee;
 - (d) two Fellows of the Faculty appointed by the Disciplinary Appointments Committee;
 - (e) two solicitors appointed by the President for the time being of the Law Society of Scotland;
 - (f) two solicitors appointed by the President for the time being of the Law Society of England and Wales;
 - (g) two accountants appointed by the President for the time being of the Institute of Chartered Accountants of Scotland;
 - (h) two accountants appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales,
- all holding office for a term of three years, such term being renewable.
- D2.27 The Chairman and the Deputy Chairman of the Appeals Tribunal shall be the Queen's Counsel appointed in accordance with the provisions of rule 2.26 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.
- D2.28 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 solicitor or accountant.

Disciplinary Board

- D2.29 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.
- D2.30 The Disciplinary Appointments Committee shall nominate one of the Lay members appointed under rule 2.29(c) to be the Chairman of the Disciplinary Board.
- D2.31 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.
- D2.32 The Disciplinary Board may convene in person or through appropriate telephone conferencing or other similar facilities, or both, and the quorum provisions of rule 2.31 shall apply taking into account those present through the telephone.
- D2.33 Decisions of the Disciplinary Board shall be made by simple majority.

Legal Advisers Pool

- D2.34 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

- D2.35 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 Complaint, Case Report or Charge or the subject matter thereof; or
 - (c) 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.
- D2.36 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.

- D2.37 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.
- D2.38 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.
- D2.39 In the event of the resignation, incapacity or death of any person appointed under Part 2 of this Scheme, a replacement may be appointed in the same manner as the person who is being replaced.
- D2.40 No Member who has been found guilty of Misconduct shall be appointed to any body referred to in Part 2 of this Scheme. Any person appointed to such a body who is found guilty of Misconduct shall be deemed to have resigned immediately from his appointment to the relevant body referred to in Part 2 of this Scheme.
- D2.41 For the avoidance of doubt, a Member has been found guilty of Misconduct who has agreed to an imposition of a sanction by an Adjudication Panel.
- D2.42 Any Member shall be suspended from any appointment to any body referred to in Part 2 of this Scheme if he has before a court of competent jurisdiction in the United Kingdom or elsewhere pleaded guilty to, or been found guilty of, an indictable offence or has in any civil proceedings been found to have acted fraudulently or dishonestly, or has failed to comply with an undertaking given pursuant to Bye-law 55 or is the subject of a Complaint under this Scheme until either:
- (a) a determination by an Adjudication Panel under rule 4.2(a) that no disciplinary action shall be taken against the Respondent;
 - (b) a finding that he is not guilty of Misconduct by either a Disciplinary Tribunal Panel under rule 6.22 or an Appeal Tribunal Panel under rule 7.15.
- D2.43 If, by reason of illness or absence or for any other reason, any person appointed to any body referred to in Part 2 of this Scheme is unable to serve at any time, another person shall be nominated to act in that member's place in accordance with regulations to be made by the Disciplinary Board.
- D2.44 Any meeting of an Adjudication Panel (subject to rule 2.45) 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.
- D2.45 An Adjudication Panel may convene in person or through appropriate telephone conferencing or other similar facilities, or both, and the quorum provisions of rule 2.44 shall apply taking into account those present through the telephone.

- D2.46 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.
- D2.47 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.
- D2.48 Any person appointed under this Part may continue to act in that capacity in relation to any relevant Complaint, Case Report or Charge as the case may be notwithstanding that his term of office has otherwise expired.

D3. INVESTIGATION STAGE

Complaints and Appointment of an Investigating Actuary

- D3.1 Subject to rule 3.1A, every Complaint received by the Institute shall be referred to the Chairman of the Pool of Investigating Actuaries.
- D3.1A Where a Complaint is received 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 Complaint under this Scheme.
- D3.2 The Chairman of the Pool of Investigating Actuaries shall, subject to rules 3.2A and 3.2B, assign the Complaint to one or more Investigating Actuaries.
- D3.2A Where the Chairman of the Pool of Investigating Actuaries considers that the Complaint should be referred for consideration under the AADB Scheme he shall refer the Complaint to the AADB to determine whether or not to accept the referral.
- D3.2B Where the AADB decides to accept a referral under rule 3.2A the Chairman of the Pool of Investigating Actuaries shall:
- (a) take no further action under this Scheme in relation to the Complaint; and;
 - (b) inform the Respondent, the Complainant, and the Disciplinary Board that the Complaint will be investigated by the AADB.
- D3.2C Where the AADB declines to accept a referral made under rule 3.2A, the Chairman of the Pool of Investigating Actuaries shall proceed under rule 3.2 of this Scheme with the investigation of the Complaint.
- D3.3 As soon as reasonably practicable upon an assignment under rule 3.2, the Case Officer shall send to the Respondent:
- (a) a copy of the Complaint;
 - (b) a copy of this Scheme;
 - (c) the name of the Investigating Actuary, and

- (d) the name and contact details of the Case Officer.
- D3.4 In making an assignment under rule 3.2, or at any time thereafter, the Chairman of the Pool of Investigating Actuaries may assign the Complaint to more than one member of the Pool of Investigating Actuaries. In such a circumstance:
- (a) the members of the Pool of Investigating Actuaries to whom the Complaint has been assigned shall together be the Investigating Actuary and references in this Scheme shall be construed accordingly;
 - (b) the Chairman of the Pool of Investigating Actuaries shall nominate one of the Investigating Actuaries to whom the Complaint is assigned as Lead Investigating Actuary; and
 - (c) the decisions of the Investigating Actuary shall be by simple majority of those Investigating Actuaries to whom the matter is assigned, save in the absence of a simple majority the Lead Investigating Actuary shall have the casting vote.
- D3.5 The Chairman of the Pool of Investigating Actuaries may at any time replace any member serving as an Investigating Actuary with another member of the Pool of Investigating Actuaries or change the nomination of who shall be Lead Investigating Actuary.

Investigations

- D3.6 The Complaint shall form the basis of the investigation by the Investigating Actuary into the alleged Misconduct.
- D3.7 The Investigating Actuary may:
- (a) appoint a Member, a solicitor or other person or persons to carry out enquiries on his behalf; and/or
 - (b) instruct a barrister, advocate or solicitor to assist in the preparation of the Case Report and/or Charge and to present the Charge to the Disciplinary Tribunal Panel and to the Appeal Tribunal Panel.
- D3.8 The Investigating Actuary may take into account any additional conduct of the Respondent which might constitute Misconduct which shall come to his notice while the Complaint is being investigated and may conduct his investigation in conjunction with the investigation of another Complaint being undertaken by him or another Investigating Actuary.
- D3.9 The Investigating Actuary may seek and receive from the Complainant and/or any other person such information as he thinks proper.
- D3.10 The Investigating Actuary may interview any Member, the Complainant, the Respondent and/or any other individual. Neither the Respondent nor his representatives shall be present during any interview or meeting arranged by the Investigating Actuary with any other person unless in his discretion the Investigating Actuary consents thereto.

- D3.11 The Investigating Actuary shall have the power:
- (a) to require copies or originals of any documents relevant to the investigation from any Member (whether or not such Member is the subject of the investigation);
 - (b) to require any further information from any Member relating to the subject matter of the investigation;
 - (c) to require any Member (whether or not such Member is the subject of the investigation) to attend before him and/or the Case Officer (and/or such other persons as the Investigating Actuary may designate) at a specified time and place to answer questions or otherwise furnish information with respect to any matter relevant to the investigation; and
 - (d) to take any legal or other expert advice as to any matter relevant to the subject matter of the investigation.
- D3.12 Nothing in rule 3.11 shall mean that the Respondent or another Member 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.
- D3.12A Where, at any stage during the course of an investigation, it appears to the Investigating Actuary that it is appropriate that a Complaint is referred for consideration under the AADB Scheme, the Investigating Actuary shall immediately refer the Complaint to the Chairman of the Pool of Investigating Actuaries.
- D3.12B Upon receipt of a referral under rule 3.12A, where the Chairman of the Pool of Investigating Actuaries considers that the Complaint should be referred for consideration under the AADB Scheme, he shall:
- (a) forthwith suspend any further investigation of the Complaint under this Scheme; and
 - (b) proceed in accordance with rules 3.2A and 3.2B.
- D3.12C Where the AADB declines to accept a referral under rule 3.12B, the Chairman of the Pool of Investigating Actuaries shall, in accordance with rule 3.2, assign the Complaint to an Investigating Actuary to recommence investigation under this Scheme. Any assignment under this rule may be to the Investigating Actuary who acted under rule 3.12A, or to an Investigating Actuary newly appointed under rule 3.5.

Content of a Case Report

- D3.13 The Case Report shall contain a statement of all the relevant facts that the Investigating Actuary regards as material to whether or not there has been Misconduct.
- D3.14 The Case Report shall contain, but is not limited to, a report on the Complaint assigned to the Investigating Actuary under rule 3.2. The Case Report may contain references to matters which may amount to Misconduct outside the scope of the Complaint, if that alleged Misconduct:

- (a) has come to the attention of the Investigating Actuary in the course of his investigation; and
- (b) is not or has not been the subject of a Complaint being investigated separately by an Investigating Actuary and/or a separate Charge.

D3.15 The Case Report shall be signed by the Investigating Actuary or the Lead Investigating Actuary as the case may be.

D3.16 Upon the Case Report being signed under rule 3.15, the Case Report shall be sent to the Respondent by the Investigating Actuary.

Completion of an investigation

D3.17 The Respondent may, within 14 days of receipt of the Case Report sent under rule 3.16, by written notice to the Investigating Actuary elect to proceed directly to a Disciplinary Tribunal Panel. If so, Part 4 of this Scheme, save for rules 4.13, 4.14 and 4.15, shall not apply.

D3.18 Subject to the right of the Respondent to elect to proceed directly to a Disciplinary Tribunal Panel under rule 3.17, the Investigating Actuary 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 3.16.

Interim Orders

D3.19 An Interim Order is an order made by an Interim Orders Panel to suspend:

- (a) the Respondent from Membership of the Institute; or
- (b) any Certificate of the Respondent.

D3.20 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 4.2(a);
- (c) on the acceptance by the Respondent of an invitation issued by the Adjudication Panel under rule 4.4;
- (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 3.30,

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

D3.21 Where there is alleged Misconduct the Investigating 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 Complaint and/or a Case Report and/or any relevant material in support of the application.

- D3.22 The Respondent shall forthwith be served with written notice of:
- (a) any application to the Interim Orders Panel under rule 3.21, including a copy of the Complaint and any relevant material; and
 - (b) the hearing of the Interim Orders Panel under rule 3.23.
- D3.23 On an application under rule 3.21 or at a further hearing under rule 3.28, the Interim Orders Panel shall convene a hearing and shall, subject to rules 3.26 and 3.27, determine (by simple majority) whether to make an Interim Order.
- D3.24 The Interim Orders Panel, before deciding whether to make an Interim Order under rule 3.23, shall give the Respondent a reasonable opportunity to make representations to the Interim Orders Panel in writing or, at the option 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.
- D3.25 In the event of an oral hearing under rule 3.24 the Respondent may attend and make such representations as are provided for in rule 3.24.
- D3.26 The Interim Orders Panel shall not make an Interim Order under rule 3.23 unless it is satisfied that:
- (a) such measure is warranted by the seriousness of the alleged Misconduct; and
 - (b) there is sufficient *prima facie* evidence before it to support such allegations.
- D3.27 If the Interim Orders Panel is satisfied that the conditions in rule 3.26 are fulfilled, it shall then have regard to the following considerations in deciding whether to make an Interim Order under rule 3.23 and, if so, the appropriate period to specify under rule 3.20(a):
- (a) the effect on the Respondent; and
 - (b) the protection of the public, including the likelihood of further alleged Misconduct occurring.
- D3.28 The Interim Orders Panel may have a further hearing in accordance with the provisions of this Part 3 to consider the renewal of an Interim Order when the term of an Interim Order would otherwise expire.
- D3.29 The Respondent may by notice under rule 7.2 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.
- D3.30 The Investigating Actuary 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.
- D3.31 Written notice of the making, rescission or variation of an Interim Order shall be served forthwith upon the Parties and upon the Institute.

- D3.32 The Interim Orders Panel may be advised by a barrister, advocate or solicitor chosen from the Legal Advisers Pool.
- D3.33 Subject to rule 3.34 hearings of the Interim Orders Panel shall be in private.
- D3.34 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.

D4. ADJUDICATION PANELS

General

- D4.1 The Adjudication Panel shall meet in private.
- D4.1A Before making any determination under rule 4.2, if the Adjudication Panel considers that any matter raised by the Complaint included in a Case Report should be referred for consideration under the AADB Scheme, the Chairman of the Adjudication Panel shall:
- (a) refer the complaint 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 Complainant and the Investigating Actuary accordingly.
- D4.1B Where the AADB decides to accept the referral under 4.1A the Chairman of the Adjudication Panel 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 Complainant, the Investigating Actuary and the Disciplinary Board that the Complaint will be investigated by the AADB.
- D4.1C Where the AADB declines the referral made pursuant to rule 4.1A:
- (a) an Adjudication Panel shall resume consideration of the Case Report under this Scheme; and
 - (b) the Convenor of Adjudication Panels shall determine whether the Adjudication Panel should be the Panel which acted under rule 4.1A or a Panel newly appointed for the purpose.
- D4.2 The Adjudication Panel (by simple majority) shall determine whether:
- (a) no disciplinary action shall be taken against the Respondent; or
 - (b) the Case Report discloses a *prima facie* case of Misconduct and 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 4.4 to 4.8; or

- (ii) the matters referred to in the Case Report be referred to a Disciplinary Tribunal Panel.

- D4.3 Before making a determination under rule 4.2, the Adjudication Panel shall consider:
- (a) the Complaint;
 - (b) the Case Report; and
 - (c) any representations submitted to the Adjudication Panel by the Respondent.
- D4.4 In accordance with rule 4.2(b)(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;
 - (b) invite the Respondent to pay within a specified time scale a fine up to the amount provided for under rule 9.1(b); and/or
 - (c) invite the Respondent to complete a period of education, retraining and/or supervised practice, on terms provided for under rule 9.3.
- D4.5 When exercising its discretion whether to issue an invitation under rule 4.4, the Adjudication Panel shall have regard to the gravity of the alleged Misconduct as set out in the Complaint and/or the Case Report.
- D4.6 A determination under rule 4.2 shall be served upon the Respondent and the Institute forthwith.
- D4.7 When making a determination under rule 4.2 or issuing an invitation under rule 4.4, the Adjudication Panel shall provide to the Respondent and the Institute a statement of its reasons.
- D4.8 A Respondent accepting an invitation pursuant to rule 4.4 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 7 of this Scheme shall not apply.
- D4.9 If the Respondent does not accept, within 21 days, an invitation pursuant to rule 4.4 the conduct in the Case Report shall be referred to a Disciplinary Tribunal Panel under rule 4.2(b)(ii).
- D4.10 The Adjudication Panel may at any time adjourn its consideration of a matter and, in particular, seek further information from the Investigating Actuary or, through the

Investigating Actuary, from the Respondent and/or the Complainant. The Adjudication Panel may consider this further information before issuing an invitation under rule 4.4 and/or a determination under rule 4.2.

- D4.11 Forthwith upon the determination of the Adjudication Panel under rule 4.2(a) or rule 4.2(b)(ii) or the Respondent's acceptance under rule 4.8 of an invitation under rule 4.4, the Adjudication Panel shall communicate the determination and the reasons to the Complainant.
- D4.12 The Adjudication Panel may be advised by a barrister, advocate or solicitor chosen from the Legal Advisers Pool.

Charges

- D4.13 A determination under rule 4.2(b)(ii) to refer the matter to a Disciplinary Tribunal Panel or an election by a Respondent under rule 3.17 shall cause the Investigating Actuary to prepare a Charge in accordance with the provisions of rules 4.14 and 4.15 containing material and evidence in support of the Charge, for submission to a Disciplinary Tribunal Panel.
- D4.14 A Charge shall be supported where necessary by concise particulars of the Charge and a statement of all the facts and matters that the Investigating Actuary regards as material.
- D4.15 The Charge shall not be limited to the matters within the scope of the Complaint. The Charge may contain alleged Misconduct outside the scope of the Complaint, if that alleged Misconduct:
- (a) has come to the attention of the Investigating Actuary in the course of his investigation; and
 - (b) is not or has not been the subject of a Complaint being investigated separately by an Investigating Actuary and/or a separate Charge.

D5. COMPLAINANT'S RIGHT TO REVIEW

- D5.1 If the Complainant is dissatisfied with a determination of the Adjudication Panel under rule 4.2(a), he may refer the matter to the Independent Examiner for review of procedure as provided for in rule 5.3.
- D5.1A There is, however, no right of referral to the Independent Examiner of any action taken under rules 4.1A and 4.1B.
- D5.2 A referral to the Independent Examiner must be made by the Complainant giving notice in writing to the Independent Examiner within 28 days after communication to him of the determination of the Adjudication Panel. The Independent Examiner shall forthwith send a copy of the notice of referral to the Institute.
- D5.3 In conducting his review the Independent Examiner:
- (a) shall review whether the procedures of investigation under Part 3 and followed by the Adjudication Panel in making a determination under rule 4.2(a) were in

accordance with this Scheme;

(b) shall not:

- (i) substitute his own view as to the appropriate weight placed on the alleged Misconduct for the determination made by the Adjudication Panel;
- (ii) review the merits of a determination under rule 4.2(a) if the determination was made in accordance with correct procedure and the determination was within the range of determinations open to a reasonable Adjudication Panel.

D5.4 The Independent Examiner in conducting his review under rule 5.3 shall consider:

- (a) the Complaint;
- (b) the Case Report and any other material considered by the Adjudication Panel;
- (c) any representations made to the Independent Examiner by the Complainant;
- (d) any representations made to the Independent Examiner by the Respondent; and
- (e) any representations made to the Independent Examiner by the Investigating Actuary.

D5.5 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.

D5.6 After concluding his review, the Independent Examiner shall either:

- (a) affirm the determination; or
- (b) remit papers to an Adjudication Panel for reconsideration having taken into account the matters contained in the review of the Independent Examiner.

D5.7 When remitting papers to an Adjudication Panel under rule 5.6(b) the Independent Examiner shall specify whether the Adjudication Panel should comprise the same members as dealt with the matter which was the subject of his review or should be a newly constituted Adjudication Panel.

D5.8 The determination of the Independent Examiner under rule 5.6 and his reasons shall be notified in writing to:

- (a) the Complainant;
- (b) the Respondent;
- (c) the Adjudication Panel;
- (d) the Investigating Actuary;
- (e) the Disciplinary Board; and
- (f) the Institute.

- D5.9 The determination of the Independent Examiner under rule 5.6 shall be final and there shall be no appeal against the determination.
- D5.10 The Complainant may at any time withdraw a referral to the Independent Examiner whereupon the review under Part 5 of the Scheme shall cease.
- D5.11 The Independent Examiner may seek and receive advice from any individual on legal or actuarial matters.
- D5.12 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 Investigating Actuaries and the Adjudication Panel.

D6. DISCIPLINARY TRIBUNAL PANELS

Charges

- D6.1 The Investigating Actuary shall be responsible for presenting the Charge and relevant evidence to the Disciplinary Tribunal Panel.
- D6.2 The Investigating Actuary shall be responsible for providing the Respondent with a copy of the Charge.
- D6.3 The Charge shall be submitted by the Investigating Actuary to a Disciplinary Tribunal Panel either:
- (a) when there has been a referral after determination to do so by the Adjudication Panel under rule 4.2(b)(ii); or
 - (b) when there has been an election by the Respondent to proceed directly to a Disciplinary Tribunal Panel under rule 3.17.
- D6.4 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.
- D6.5 In accordance with rule 6.8, 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 Disciplinary Tribunal Panel and the Investigating Actuary written grounds of defence not later than 14 days before the hearing.
- D6.6 Where written grounds of defence have been served under rule 6.5 the Investigating 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

- D6.7 The Respondent shall be given a proper opportunity of answering the Charge.
- D6.8 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.

Proceedings of other Courts and Tribunals

- D6.9 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.
- D6.10 In any of the cases set out in this rule, the findings of fact by the court or tribunal upon which the conviction, finding, sentence or judgement is based shall be admissible as *prima facie* evidence of those facts, such evidence rebuttable only with evidence to the contrary.

General Provisions for the Disciplinary Tribunal Panel

- D6.11 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.
- D6.12 The Chairman of the Disciplinary Tribunal Panel may require the Respondent and the Investigating Actuary 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.
- D6.13 The Chairman of the Disciplinary Tribunal Panel shall appoint a date for a hearing. Such date shall be appointed as soon as reasonably practicable following submission of the Charge pursuant to rule 6.1, unless the Chairman of the Disciplinary Tribunal Panel shall decide first to hold a procedural hearing pursuant to rule 6.12, in which circumstances the Chairman of the Disciplinary Tribunal Panel shall appoint a date for the hearing as soon as reasonably practicable thereafter. All Parties must serve upon the Secretary to the Disciplinary Tribunal Panel and any other Party no later than 14 days before the hearing the copies of the documents upon which they intend to rely.

- D6.14 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.
- D6.15 The Chairman of the Disciplinary Tribunal Panel shall not require under rule 6.14 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.
- D6.16 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
 - (c) 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

- D6.17 The Chairman of the Disciplinary Tribunal Panel shall give to the Parties reasonable notice in writing of the hearing appointed under rule 6.13. Subject to rule 6.18, the Disciplinary Tribunal Panel shall hear the Charge in public.
- D6.18 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.
- D6.19 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.
- D6.20 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.
- D6.21 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.

D6.22 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.

D6.23 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) suspend the Respondent from Membership of the Institute for any period it thinks appropriate up to a maximum of five years;

(iii) order the Respondent to complete a period of education, retraining and/or supervised practice, on terms provided for under rule 9.3;

(iv) 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 submitted to the Institute;

(v) exclude the Respondent (being a former Member who is subject to this Scheme pursuant to rule 1.9) 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;

(vi) suspend or withdraw any Certificate of the Respondent;

(vii) order the payment of a monetary fine by the Respondent.

D6.24 If a sanction has been imposed under rule 6.23(b)(iii), the Disciplinary Tribunal Panel (or a newly constituted Disciplinary Tribunal Panel) may be recalled on the application of the Investigating 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

D6.25 The Disciplinary Tribunal Panel may make an award of costs against the Respondent or the Institute as it considers appropriate.

Communication of Determination

- D6.26 A determination of the Disciplinary Tribunal Panel shall be served upon the Respondent forthwith, which determination shall, subject to rule 8.2(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.
- D6.27 The Disciplinary Tribunal Panel shall also communicate its determination and reasons to:
- (a) the Investigating Actuary;
 - (b) the Complainant;
 - (c) the Disciplinary Board; and
 - (d) the Institute.

D7. APPEALS

- D7.1 The Respondent may by notice appeal against:
- (a) an Interim Order made under Part 3 of this Scheme; and/or
 - (b) the determination of the Disciplinary Tribunal Panel.
- D7.2 A Notice of Appeal under rule 7.1 shall be given in writing and served upon the Investigating Actuary and upon the Chairman of the Appeals Tribunal:
- (a) no later than 14 days after the making of an Interim Order under rule 3.23 (or such longer period as the Chairman of the Appeals Tribunal may decide on the application of the Respondent); and
 - (b) no later than 28 days after the receipt by the Respondent of the written determination (or such longer period as the Chairman of the Disciplinary Tribunal Panel may decide on the application of the Respondent).
- D7.3 A Notice of Appeal under rule 7.1 shall state the grounds of the appeal. The grounds of appeal so stated shall not thereafter be amended except with the leave of the Appeal Tribunal Panel appointed under rule 2.28 to hear the appeal.
- D7.4 If Notice of Appeal is served 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 or the Certificate of the Respondent shall remain withdrawn or suspended as the case may be until the appeal has been determined.
- D7.5 No appeal shall be based solely on the question of costs without the consent of the Chairman of the Appeals Tribunal.
- D7.6 The Complainant shall be notified of an appeal under rule 7.1.

- D7.7 In the event of an appeal from a determination of an Interim Orders Panel, the Case Officer shall provide to the Chairman of the Appeals Tribunal as soon as reasonably practicable:
- (a) the determination of the Interim Orders Panel;
 - (b) any record of the proceedings before it; and
 - (c) any documentary evidence and any other evidence and written submissions placed before it.
- D7.8 In the event of an appeal from a determination of a Disciplinary Tribunal Panel, the Case Officer 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.
- D7.9 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.
- D7.10 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 7.15(c).
- D7.11 The hearing of the appeal shall be by way of re-hearing. The Appeal Tribunal Panel may:
- (a) hear or re-hear any witnesses as it thinks fit (save in an appeal from the making of an Interim Order);
 - (b) admit fresh evidence if it thinks it is reasonable and in the interests of justice to do so; and
 - (c) obtain such legal or other advice or opinions as it thinks fit.
- D7.12 The Respondent shall be permitted to make representations and call any witnesses before the Appeal Tribunal Panel.
- D7.13 Subject to rule 7.14, the hearing of the Appeal Tribunal Panel shall be in public.
- D7.14 The Appeal Tribunal Panel may, acting of its own motion or upon the application of any Party, hear the appeal, in full or in part, in private if there is good reason to do so.
- D7.15 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 or the Interim Orders Panel;
- (b) substitute any other determination or determinations which the Disciplinary Tribunal Panel or the Interim Orders Panel may have made;
- (c) make an award of costs against the Respondent or Institute as it considers appropriate.

D7.16 The Appeal Tribunal Panel shall make its determination by simple majority.

D7.17 The determination of the Appeal Tribunal Panel shall be final.

D7.18 A determination of the Appeal Tribunal Panel shall be served upon the Respondent forthwith, which determination shall, subject to rule 8.2(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.

D7.19 The Appeal Tribunal Panel shall also communicate its determination and reasons, where relevant, to:

- (a) the Disciplinary Tribunal Panel;
- (b) the Interim Orders Panel;
- (c) the Investigating Actuary; and/or
- (d) the Complainant;

and in all cases to:

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

D8. COSTS ORDERS AND FINES

D8.1 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.

D8.2 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 receipt of the Appeal Tribunal Panel's determination; or;
- (b) of the Respondent's acceptance of the invitation of the Adjudication Panel under rules 4.4 and 4.8.

D8.3 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.

D9. DISCIPLINARY BOARD

D9.1 The functions of the Disciplinary Board shall comprise:

- (a) monitoring the governance of this Scheme;
- (b) deciding the maximum fine which an Adjudication Panel may invite a Respondent to pay under rule 4.4(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 under rule 5.12, from any Chairman, committee, panel or tribunal appointed under this Scheme, from the AADB regarding Complaints 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 Investigating 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; and
- (j) such other functions as shall be agreed from time to time by the Council and the Council of the Faculty.

D9.2 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.

D9.3 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.

D10. GENERAL PROVISIONS

- D10.1 Subject to rule 10.1A, where, having regard to the interests of the public and 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 to an Investigating Actuary even though no complaint may have been received; thereafter the matter shall proceed for the purposes of this Scheme as if a Complaint had been made to the Institute save that the provisions of Part 5 of this Scheme shall not apply.
- D10.1A Before proceeding under rule 10.1 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.
- D10.1B 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.
- D10.1C Where the AADB declines the referral the Honorary Secretary shall proceed under rule 10.1.
- D10.2 In this Scheme, any function which may be undertaken by:
- (a) the Chairman of the Disciplinary Appointments Committee;
 - (b) the Chairman of the Investigating Actuaries Panel;
 - (c) the Convener of the Interim Orders Panels;
 - (d) the Convener of the Adjudication Panels;
 - (e) the Convener of the Disciplinary Tribunal Panels;
 - (f) 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.
- D10.3 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) a Complaint 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 Investigating Actuary, Interim Orders Panel, Adjudication Panel, Disciplinary Tribunal Panel and Appeal Tribunal Panel as the case may be;
- (d) an Investigating 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 and any failure by the Member to comply with such obligations and a Member who hinders or frustrates an Investigating Actuary appointed by the Faculty may be liable for Misconduct under the provisions of rule 1.10;
- (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 2.37 or 2.38 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 2.40 and 2.42 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".

D10.4 Subject to rule 9.1(h), 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.

D10.5 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 Complaints, Case Reports or Charges involving one or more Respondents and for such purpose appropriate directions may be given under rule 10.4.

D10.6 Anyone who serves as an Investigating 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 Council provides for.

- D10.7 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.
- D10.8 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.
- D10.9 The Disciplinary Board shall, as soon as reasonably practicable, be given:
- (a) by the Case Officer brief particulars of any Complaint made under this Scheme after it is referred to an Investigating Actuary; 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.
- D10.10 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.
- D10.11 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 10.12:
- (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 4.2(b)(ii);
 - (c) the determination and, where applicable, any sanction imposed by an Adjudication Panel resulting from the acceptance by a Respondent under rule 4.8 of an invitation by the Adjudication Panel under rule 4.4;
 - (d) any final determination of a Disciplinary Tribunal Panel; and
 - (e) any final determination of an Appeal Tribunal Panel.
- D10.12 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 3.17;
 - (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.
- D10.13 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, 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.
- D10.14 The Disciplinary Board may prescribe such arrangements for investigation and determination of Complaints against Members who are resident and practising outside the UK as seem appropriate under the circumstances to accord as nearly as possible with this Scheme.
- D10.15 Provisions of this Scheme shall form part of the Bye-laws and may be rescinded, varied or added to accordingly.

D11. COMMENCEMENT AND TRANSITIONAL PROVISIONS

Commencement

- D11.1 The provisions of this Scheme shall come into force on such day(s) as the Council may by resolution determine.

Transitional Provisions

- D11.2 Complaints received by the Institute, or matters referred by the Council under rule 4 of the Institute's former scheme, prior to the date on which this Scheme came into force shall be dealt with as follows:
- (a) if on the date on which this Scheme came into force an Investigating Committee had been appointed to deal with a case, that case (including any Tribunal hearing and/or appeal) shall be determined under the provisions of the Institute's former scheme, which provisions shall continue in force for the purpose;
 - (b) any other case to which this rule applies shall be determined under the provisions

of the Institute's former scheme, which provisions shall continue in force for the purpose unless both the Respondent and the Complainant (or, if there is no Complainant, the Council), agree that it should be transferred to this Scheme.

- D11.3 Any of the first appointments to be made under Part 2 of this Scheme may be made for an initial period of less than three years if the body or person responsible for such appointment considers it appropriate for the proper functioning of the Scheme.
- D11.4 The appointment of the first Chairman of the Disciplinary Appointments Committee shall be made by the Dean for the time being of the Faculty of Advocates.
- D11.5 The appointment of the first Chairman and of the Deputy Chairman of the Appeals Tribunal shall be made by the Dean for the time being of the Faculty of Advocates.

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 2.20;
'Appeals Tribunal'	means the Appeals Tribunal referred to in rule 2.26;
'Appeal Tribunal Panel'	means a panel of the Appeals Tribunal appointed under rule 2.28;
'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 Officer'	means a person appointed by the managements of the Institute and Faculty to assist an Investigating Actuary in the conduct of the investigation of a Complaint;
'Case Report'	means a report referred to in rule 3.13;
'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 Investigating Actuary under rule 4.13;
'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 9.1(g) on behalf of the Institute;
'Complainant'	means a person who makes a Complaint to which this Scheme applies;
'Complaint'	means a formal statement in writing addressed to the Institute and containing allegations to the effect that a named Member has or may have been guilty of Misconduct;
'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 2.29;
'Disciplinary Pool'	means the pool referred to in rule 2.6;
'Disciplinary Tribunal Panel'	means a panel referred to in rule 2.24;

'Faculty'	means the Faculty of Actuaries;
'Independent Examiner'	means the person appointed under rule 2.15;
'Institute's former scheme'	means the Institute's disciplinary scheme in force on the date immediately prior to the date when this Scheme came into force;
'Interim Order'	means an order provided for in rule 3.19;
'Interim Orders Panel'	means a panel referred to in rule 2.18;
'Investigating Actuary'	means an Investigating Actuary referred to in rule 3.2;
'Lay member'	means a person who is not and has never been a Member, Fellow, Affiliate or student of the Institute or of the Faculty;
'Lead Investigating Actuary'	means a member of the Investigating Actuaries Pool nominated under rule 3.4(b);
'Legal Advisers Pool'	means the pool of barristers, advocates and solicitors nominated under rule 2.34;
'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;
'Misconduct'	means misconduct under rule 1.6;
'Party'	means a Respondent or an Investigating Actuary, as the case may be;
'Pool of Investigating Actuaries'	means the pool referred to in rule 2.11;
'Respondent'	means the Member whose conduct is the subject of the matter of a Complaint or investigation by or proceedings before an Investigating Actuary, 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.

13 September 2007