

INSTITUTE OF INCORPORATED PUBLIC ACCOUNTANTS

THE INSTITUTE OF
INCORPORATED PUBLIC ACCOUNTANTS

BYE – LAWS

(As amended by Special Resolution dated 3rd March 2009)

INSTITUTE OF INCORPORATED PUBLIC ACCOUNTANTS

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INSTITUTE OF INCORPORATED PUBLIC ACCOUNTANTS

1. INTRODUCTION

The Institute of Incorporated Public Accountants (the Institute) was incorporated on 17th day of November, 1981, as a company limited by guarantee and not having a share capital.

The purpose of these Bye-Laws is to establish a framework for the orderly conduct of the business of the Institute as a recognised Prescribed Accountancy Body in Ireland.

The Bye-Laws will be effective from a date to be specified by the Council following receipt of approval from The Irish Auditing and Accounting Supervisory Authority under Section 9 of the Companies (Auditing and Accounting) Act, 2003, or, if later, the date on which they are approved under Section 9 of the Companies (Auditing and Accounting) Act, 2003.

These Bye-Laws may only be altered by a two-thirds majority vote of the Members of the Institute in general meeting. Any such alterations will be subject to any statutory authorizing provisions that may apply to the Institute.

Each member of the Institute is obliged to comply with the Bye-Laws and the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants which the Institute has adopted.

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2. DEFINITIONS

2.1 In the interpretation of the Bye-Laws, the following words and expressions shall have the following meaning unless inconsistent with the subject or context:

- (a) “The Institute” means the Institute of Incorporated Public Accountants, incorporated on 17 November 1981.
- (b) Words importing the singular only shall include the plural and vice versa and words importing the masculine gender only shall include the feminine gender.
- (c) “Bye-Laws” mean the Bye-Laws of the Institute of Incorporated Public Accountants as set out and expressed herein.
- (d) “Council” means the Council of the Institute elected by the members of the Institute in accordance with the provisions of the Articles of Association.
- (e) “The Secretary” means the Secretary of the Institute for the time being and shall be deemed to include any such person as may be appointed in accordance with the provisions of the Articles of Association.
- (f) “Annual General Meeting” means an Annual General Meeting of the Institute.
- (g) “Office of the Institute” means 2 Abbey Moat House, Abbey Street, Naas, County Kildare, or such other place as may be chosen by the Council from time to time.
- (h) “General Meeting” means an Annual General Meeting or Extraordinary General Meeting.
- (i) “Approved Training” means practical training and experience approved by Council.
- (j) “Recognised Training Firm” means a member firm of the Institute or other organisation recognised by Council for the Approved Training of students. For the purposes of these Bye-Laws, other organisations may include missed firms i.e. forms of accountants where the partners are drawn from more than one recognised professional body.
- (k) “Member in Accounting Practice” means a member of the Institute in practice as a professional accountant holding him/herself out to provide accounting and related services. A Member in Accounting Practice cannot hold himself out to be a registered auditor as defined in the Companies Acts 1963 to 2006.

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- (l) “Member in Audit Practice” means a member of the Institute in practice as a professional accountant holding himself out to provide accounting, auditing and related services.
- (m) “Student” means a student training to become a member of the Institute.
- (n) “Training Contract” means a contract of training in such form and content as the Council may from time to time require or approve between a student and a Recognised Training Firm or other organisation recognised by the Council for the training of students.
- (o) “Officers of the Institute” shall be the persons stated in Article 42 of the Articles of Association.
- (p) “Accounting Member Firm” means a firm which is composed in whole or in part of Members in Accounting Practice and includes a sole practitioner who is a Member in Accounting Practice. A firm of accountants may also be recognised by the Institute as an Accounting Member Firm where it has at least one member who is not currently a Member in Accounting Practice, but who would qualify for that designation were they to apply.[Please Clarify]
- (q) “Audit Member Firm” means a firm which is composed in whole or in part of Members in Audit Practice, and includes a sole practitioner who is a Member in Audit Practice. A firm of accountants may also be recognised by the Institute as a Audit Member Firm where it has at least one member who is not currently a Member in Audit Practice, but who would qualify for that designation were they to apply. [Please Clarify]
- (r) “Accounting Practising Certificate” means a practising certificate issued by the Institute that allows a sole practitioner or firm to hold him/itself out as Incorporated Public Accountants in public practice.
- (s) “Audit Practising Certificate” means a practising certificate issued by the Institute that allows a sole practitioner or firm to hold him/itself out as Registered Auditors as understood under the terms of the Companies Acts 1963 to 2006.
- (t) “Prescribed Accountancy Body” has the meaning ascribed to it under Companies (Auditing and Accounting) Act, 2003.
- (u) “Respondent” means a member or student against whom a formal complaint has been referred to the Disciplinary Committee.
- (v) “Minister” means the Minister for Enterprise, Trade and Employment.

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3. THE COUNCIL

- 3.1 The Council of the Institute shall be its supreme management and decision making body, responsible for conduct of the ordinary business of the Institute. The Council shall operate in accordance with the provisions of these Articles of Association.
- 3.2 The Council shall from time to time make regulations providing for such matters as it considers necessary for the purpose of the Institute's carrying out its functions as a Prescribed Accountancy Body or such other forms of recognition granted by the Minister under the Acts or under other legislation or instrument for the proper supervision of the accounting and auditing profession.
- 3.3 The Council shall:
- (a) Appoint, remunerate and, if necessary, remove any member of staff of the Institute,

And
 - (b) Determine their respective duties, responsibilities and terms of employment.
- 3.4 All monies of the Institute, in excess of requirements for payments to be made, may be invested by the Council in such manner as it shall think fit in any form of investment for the time being authorised for the investment of trust funds. Such investments may be varied or realised as the Council considers appropriate.
- 3.5 The Council may set up branches of the Institute from time to time as it thinks fit and, where such branches are set up, it shall establish rules for the management and control of same. The Council shall dissolve a local branch and vary the rules of management and control of same as it sees fit.
- 3.6 The members of the Council, including Committees and Sub-Committees of the Council, officials, the Secretary, non-Council members of committees and sub-committees and servants of the Institute shall be indemnified by the Institute from all losses and expenses incurred by them in or about the discharge of their respective duties except such as happen from their own respective wilful act or default or, in the case of an auditor, his own negligence or that of any partner or employee of such auditor.
- 3.7 Further to clause 3.6 above, the members of the Council, including Committees and Sub-Committees of the Council, officials, the Secretary, non-council members of Committees and Sub-Committees, and servants of the Institute, shall in the event that they are requested or obliged to attend to business of the Institute, be entitled to a fixed out of pocket payment of €500 per day for each day of such additional Institute business attended to by the relevant individual. This payment shall be in addition to all vouched travel and other expenses that may be claimed from the Institute by that individual.

Establishment of Council Committees

- 3.8 The Council shall establish such committees as it considers appropriate to assist in managing the affairs of the Institute. The regulations, processes and procedures for the orderly functioning of Committees shall be those prescribed in these Bye-Laws.

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- 3.9 The Council may delegate to a committee such powers as it thinks fit. The Council may vary or revoke any powers delegate to any committee.
- 3.10 The Council shall determine the number of members on a committee and the quorum necessary at such meetings.
- 3.11 Any occasional vacancy in any Committee may be filled by the Council.
- 3.12 The Council may discharge any committee in whole or in part.

Functioning of Council Committees

- 3.13 Committees shall comprise of members of the Institute, unless otherwise required under the Articles or Bye-Laws. The composition of each committee shall provide for a simple majority of the Council members, unless otherwise required under the Articles or Bye-Laws.
- 3.14 Each committee shall appoint a chairman from amongst its Council members. In the case of equality of votes, the chairman shall have a second or casting vote.
- 3.15 On formation, each Committee shall establish in writing its terms of reference, including its scope, objectives responsibilities, and powers to act and shall submit these to Council for ratification. Written terms of reference have been ratified by the Council for the following Committees – , Disciplinary, Education, Investigations, Monitoring and Practice. No decision or activity of a Committee shall be valid unless there is a ratified terms of reference in force.
- 3.16 Committee meetings shall be held at such times and venues as the members of the Committee shall think fit, unless directed otherwise from time to time by the Council.
- 3.17 A sub-committee of a committee may be formed and powers of the committee delegated to the sub-committee only with the authorisation of Council. The Bye-Laws covering the operation of a Committee shall apply equally to the operations of any of its Sub-Committees.
- 3.18 The Committees in existence at the date of adoption of these amended Bye-Laws are as follows:
 - i. Admissions Committee
 - ii. Appeals Committee
 - iii. Audit Committee
 - iv. Benevolent Committee
 - v. Disciplinary Committee
 - vi. Education Committee
 - vii. Finance Committee
 - viii. Investigations Committee
 - ix. Monitoring Committee
 - x. Practice Committee
 - xi. Promotions Committee
 - xii. Property Committee
 - xiii. Publications Committee

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xiv. Technical Committee

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4. MEMBERSHIP

Process for Admission to Membership

- 4.1 The process of admission to membership of the Institute shall operate in accordance with the provisions of the Articles of Association and these Bye-Laws.
- 4.2 Council may establish a Practice Committee to manage and control all the processes for admission to membership and the associated administrative tasks.

Associate Membership

- 4.3 When applying for membership as an Associate, all applicants shall provide full details of their accountancy, audit and other experience stating the name and address of the employer with whom such experience was obtained and the duration and type of experience gained, particularly in relation to accountancy and audit assignments.
- 4.4 Every applicant for membership shall acknowledge in writing his duty to follow the standards set down by the Institute in the Bye Laws and Articles of Association of the Institute relating to the areas of Ethics, Codes of Conduct and Practice, Independence, Professional Integrity and Technical Standards.
- 4.5 Every applicant for membership shall acknowledge in writing his duty to maintain the standard and quality of his technical knowledge after qualification and provide a written undertaking to obtain each year a minimum number of hours of post qualification continuing professional development.

Fellowship

- 4.6 Members of good standing shall normally be eligible for to apply for admission to Fellowship, on completion of eight years of membership as an Associate.
- 4.7 Members shall not be eligible for admission to Fellowship if:
 - They have not satisfied the Institute's requirements for Continuing Professional Education ;
 - They owe sums in respect of fees or levies due to the Institute;
 - They have been found to be in breach of the Ethical Code or Rules of Professional Conduct.
- 4.8 Council may at its discretion, establish appropriate requirements in terms of education, technical knowledge and experience for eligibility for admission to Fellowship.
- 4.9 Notwithstanding Bye-Law 4.8, no Associate Member shall be eligible for admission to Fellowship unless he has completed at least five years of membership, in good standing as an Associate.

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List of Members

- 4.10 The Secretary shall, from time to time, publish or cause to be published a list of the members of the Institute. Such publications may be made available on request at such charge as the Secretary shall determine from time to time.

Membership Certificates

- 4.11
- (a) On being admitted to membership, every person shall be entitled to a Certificate of Membership under the Common Seal of the Institute. Each said Certificate shall be and remain the property of the Institute and shall on demand be returned to the Secretary.
 - (b) Upon approval of the Council, every Member in Accounting Practice and every Accounting Member Firm shall be entitled to an Accounting Practising Certificate under the Common Seal of the Institute. Each said Certificate shall be re-issued annually and shall remain the property of the Institute and the holder shall be bound to return the said certificate to the Institute on ceasing to be a Member in Accounting Practice or Accounting Member Firm for any reason whatsoever.
 - (c) Upon approval of the Council, every Member in Audit Practice and every Audit Member Firm shall be entitled to an Audit Practising Certificate under the Common Seal of the Institute. Each said Certificate shall be re-issued annually and shall remain the property of the Institute and the holder shall be bound to return the said certificate to the Institute on ceasing to be a Member in Audit Practice or an Audit Member Firm for any reason whatsoever.
 - (d) Upon approval of the Council, every Member on becoming a Fellow of the Institute shall be entitled to a Certificate to that effect under the Common Seal of the Institute. Each said Certificate shall be and remain the property of the Institute and shall on demand be returned to the Secretary.
- 4.12 A member applying for an Audit Practising Certificate must provide evidence that he has gained, over a period of not less than two years after qualifying to be a member, broad knowledge and experience and had undertaken assignments which have been reviewed and approved by an Audit Practising Member. Such assignments should include the following areas: accounting and financial reporting (for companies and unincorporated businesses), auditing (including the audit of computerized financial transaction and management information systems and controls), taxation (Corporate and Personal), Company Law and Secretarial Practice and, where appropriate, Receiverships/Liquidations.
- 4.13 The aforesaid member shall be required to confirm in writing to the Institute details of the experience gained by the applicant. The applicant member shall in particular provide evidence of significant auditing experience.

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- 4.14 Any member applying for, or for the renewal of, a practising certificate must undertake to comply with the following requirements:
- (a) To obtain adequate professional indemnity insurance to cover a minimum of €317,000. On first applying for a practising certificate and thereafter on the occasion of every annual renewal of the Practising Certificate, he shall provide evidence in writing to the Secretary, in a format to be specified by the Council together with a copy of the insurance policy, that such cover has been obtained.
 - (b) To undertake to comply with the Institute's requirements regarding continuing professional development.
 - (c) To make such arrangements as are necessary to ensure the continuity of the practice in the event of death or incapacity. Such arrangements may be made in a partnership agreement or through an agreement with another firm of practising accountants or by agreement for the appointment of a member of the Continuity of Practice Panel, as established by the Institute. These arrangements are to be reviewed and re-executed annually by each member.
 - (d) To undertake to comply with the Institute's requirements regarding fit and proper character all members must be of good repute:
 - a. For any reason ceases to be a member of the Institute; or any other recognised body of auditors or accountants; or
 - b. Has an order made against him by the Disciplinary Committee of the Institute or any other recognised body of auditors or accountant that is not reversed on appeal; or
 - c. Is adjudged bankrupt in the State or in any other member state of European Union; or
 - d. Becomes of unsound mind; or
 - e. Becomes prohibited from being a company director by reason of any other made under Part VII of the Companies Act 1990; or
 - f. Is directly or indirectly interest in any contract with the Institute and fails to disclose the nature of this interest in the manner required by S.194 of the Companies Act 1963 as amended by S.47 (3) of the Companies Act 1990.
- 4.15 The Council shall, from time to time review and set the minimum level of professional indemnity insurance cover to be held by practicing members.
- 4.16 The Council shall determine a fee for the issue and renewal of Practising Certificates.
- 4.17 Practising Certificates shall normally be issued for a period of twelve months ending on 31st December.

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Practising Members

14.18 *Members in Accounting Practice*

- (a) Members are permitted to provide accounting and related services save and in so far as any such services may be prohibited or restricted by statute or other regulation to holders of specific qualifications or authorisations.
- (b) A member of the Institute who wishes to engage in public practice must obtain and continue to hold an Accounting Practising Certificate from the Council.
- (c) For the purposes of this Article “public practice” means:
 - (i) accepting an appointment as accountant, or
 - (ii) signing any report or certificate on accounts of any business where reliance may be placed by some third party on the report or certificate, or
 - (iii) holding himself out to be available to perform the described duties in subparagraphs (i) and (ii) above.

14.19 *Members in Audit Practice*

- (a) Members are permitted to undertake the audit of companies and other organisations save and in so far as any such audit may be prohibited or restricted by statute or other regulation to holders of specific qualifications or authorisations.
- (b) A member of the Institute who wishes to engage in public practice must obtain and continue to hold an Audit Practising Certificate from the Council.
- (c) For the purposes of this Article “public practice” means:
 - (i) accepting an appointment as auditor, or
 - (ii) signing any report or certificate on accounts of any business where reliance may be placed by some third party on the report or certificate, or
 - (iii) holding himself out to be available to perform the described duties in subparagraphs (i) and (ii) above.

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5. ADMISSION FEES AND ANNUAL AND OTHER SUBSCRIPTIONS

- 5.1. On or about the first day of November of each year, every member shall make a return to the Institute to state whether or not he is in practice. The return shall be in such form as the Council may prescribe from time to time.
- 5.2. Every person who is admitted to membership of the Institute shall pay an admission fee and, in addition, shall pay such annual or other subscription or payment as is levied from time to time by the Council. A person shall not become a member until the said admission fee is paid.
- 5.3. All annual subscriptions shall be due and payable on the first day of January each year or, in the case of members admitted after that date, on the date of admission. Where the date of admission is later in any year than 30th June, then a half-year's subscription only shall be payable.
- 5.4. On admission as a Fellow, a member shall become liable to pay an increased rate of annual subscription and the increase shall be due on the date on which he is admitted to Fellowship.
- 5.5. The Council may permit the reduction or remission of any fee, subscription or payment, either generally or in a particular case, if it considers it to be desirable.
- 5.6. Members who have retired shall pay an annual subscription rate as the Members may from time to time determine by resolution in General Meeting.
- 5.7. The rate or rates of admission fees and annual or other subscriptions or payments shall be established by ordinary resolution by the Institute in General Meeting.
- 5.8. Where any member fails to pay his annual subscription or any other subscription, levy or payment due by him within three months after the due date, he shall cease to be a member, unless the Council decides otherwise. Any member removed from membership under this Bye-Law and who subsequently applies for re-admission shall be required to pay a re-admission fee which shall be determined by the Council from time to time. All aspects of applications for readmission under this Bye-Law shall be considered at the discretion of the Council in accordance with the Articles of Association and the Bye-Laws. The ultimate decision on readmissions shall, in all cases, rest with the Council.

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6. STUDENT MEMBERSHIP

Register of Students

6.1 The Secretary shall maintain a register of students of the Institute.

Student Regulations

6.2 The Council shall from time to time make such regulations as it sees fit, prescribing the conditions on which persons may become and remain students, as defined in Bye-Law 2.1, of the Institute. The Council shall amend, vary or revoke these regulations as it sees fit.

6.3 All students wishing to become members of the Institute must demonstrate to the satisfaction of the Admissions Committee that they have the necessary level of education and experience as may be required under these Bye Laws and the Articles of Association to be admitted as a member of the Institute.

6.4 Where students are serving under a Training Contract, a Member Firm shall pay them a reasonable salary which, in any event shall be not less than a minimum specified by the Council from time to time.

6.5 A Training Contract shall contain such terms and conditions and shall be in such form as the Council shall from time to time decide.

6.6 The training of students by Member Firms shall take full cognisance of the contents of relevant EU directives, regulations and recommendations, National Laws, Ministerial orders or other binding pronouncements or codes of practice by authorized bodies covering the supervision of the auditing profession, the Institute's Bye-Laws, technical pronouncements, code of ethics, and any other rules or regulations currently in force.

Examinations

6.7 Council may delegate responsibility for the organisation of examinations to one or more committees. The responsibility for the organisation of the Institute examinations has been currently delegated by the Council to the Education Committee.

6.8 Without prejudice to the generality of Bye-Law 6.7, the Council shall make regulations prescribing:

- (a) the examinations of the Institute and the parts, if any, into which those examinations are to be divided;
- (b) the syllabus for each examination subject;
- (c) the courses to be attended in preparation for the examinations;
- (d) the times and locations at which examinations may be taken;
- (e) the fees for sitting examinations and any other fees payable by students;

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- (f) the number of attempts a student may have for any examination;
 - (g) any exemptions or concessions which may be granted or allowed;
 - (h) any other matters incidental to the holding of examinations.
- 6.9 To assist in the conduct of examinations, the Council may appoint suitably qualified persons as moderators, examiners, assistant examiners or other necessary officials as the Council may deem fit. Such persons need not necessarily be members of the Institute. They shall be remunerated for the services provided, but may be removed, subject to applicable law, without explanations, as the Council shall deem fit.
- 6.10 Persons appointed under Bye-Law 6.9 shall not be considered employees of the Institute solely by virtue of the services provided under that Bye-Law. However, nothing in this Bye-Law shall prevent employees of the Institute from providing the services envisaged in Bye-Law 6.9.
- 6.11 The results of examinations must be submitted to Council for its consideration and ratification together with such reports on the overall conduct of examinations as Council may require. No examination result shall be considered valid until it has been ratified by Council, by a simple majority of those attending the relevant Council meeting.

Facilitation Examination

- 6.12 A candidate who is not practising in a practice may sit the facilitation examinations thereby entitling him/her to obtain a Practising Certificate.
- 6.13 The facilitation examinations will be sat over a two year training period with the candidate sitting two of the four examinations in each sitting.
- 6.14 Council may delegate responsibility for the organisation of the facilitation examinations to one or more committees. The responsibility for the organisation of the Institute examinations has been currently delegated by the Council to the Education Committee.
- 6.15 Without prejudice to the generality of Bye-Law 6.14, the Council, on the recommendation of the Education Committee, shall make regulations prescribing:
- (a) the facilitation examinations of the Institute and the parts, if any, into which those examinations are to be divided;
 - (b) the subject to be sat in respect of the facilitation examination, to include tax, company law, auditing and financial accounting;
 - (c) the syllabus for each examination subject;
 - (d) the courses to be attended in preparation for the examinations;
 - (e) the times and locations at which examinations may be taken;

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- (f) the fees for sitting examinations and any other fees payable by students;
 - (g) the number of attempts a student may have for any examination;
 - (h) any exemptions or concessions which may be granted or allowed;
 - (i) any other matters incidental to the holding of examinations.
- 6.16 To assist in the conduct of facilitation examinations, the Council may appoint suitably qualified persons as moderators, examiners, assistant examiners or other necessary officials as the Council may deem fit. Such persons need not necessarily be members of the Institute. They shall be remunerated for the services provided, but may be removed, subject to applicable law, without explanations, as the Council shall deem fit.
- 6.17 Persons appointed under Bye-Law 6.16 shall not be considered employees of the Institute solely by virtue of the services provided under that Bye-Law. However, nothing in this Bye-Law shall prevent employees of the Institute from providing the services envisaged in Bye-Law 6.16.
- 6.18 The results of examinations must be submitted to Council for its consideration and ratification together with such reports on the overall conduct of examinations as Council may require. No examination result shall be considered valid until it has been ratified by Council, by a simple majority of those attending the relevant Council meeting.

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7. EDUCATION

- 7.1 There shall be an Education Committee, responsible to Council for the arrangements to satisfy the education needs of Members and Students of the Institute.
- 7.2 The Education Committee may form such sub-committees as may be required for the proper achievement of its objectives.

Continuing Professional Education

- 7.3 Each member shall be required to maintain current his technical knowledge to an extent necessary for the proper discharge of his professional work as an Incorporated Public Accountant.
- 7.4 The Council shall have full discretion to fix the minimum number of hours and to set down such courses of study, structured or informal, as it considers appropriate for the continuing professional development of its members.
- 7.5 The Council shall from time to time recognise appropriate courses, seminars and other events that contribute to the continuing professional education of its members.
- 7.6 Each member shall undertake to provide a written statement each year in such form as the Council shall decide, setting out details of the continuing professional education obtained by him. The statement shall be made up to 31 December each year and shall be returned so as to be received by the Secretary of the Institute not later than 1 March each year.

Education of Students

- 7.7 The Education Committee shall make appropriate arrangements for the education of students aspiring to full membership of the Institute.
- 7.8 The Education Committee shall issue and maintain the rules and procedures for the proper education of students of the Institute.
- 7.9 The Education Committee shall cause to have developed and maintained an appropriate syllabus for the subjects to be studied for the purposes of fulfilling the requirements for eligibility for membership of the Institute.
- 7.10 The Education Committee may enter into arrangements with recognised third level institutions for the provision of appropriate education for its students.
- 7.11 The Education Committee shall monitor the arrangements for the educations of its students and may establish criteria to be fulfilled by Educational Institutions wishing to provide suitable courses to meet the requirements set out in the syllabus for each subject.

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8. ETHICS

- 8.1 The Council shall establish, or cause to have established, a Code of Ethics to be followed by all members and students of the Institute.
- 8.2 Council may assign responsibility for monitoring ethical standards in the accounting and auditing profession and maintaining the ethical code to a Committee.
- 8.3 The Code of Ethics will be reviewed by Council in the following situations:
 - A new procurement on ethics is issued by the International Federation of Accountants.
 - There are changes in the EU Directives, National Laws, Ministerial orders or other binding pronouncements by authorized bodies covering the supervision of the audition profession.
 - In accordance with any amendments or developments to any Human Rights provisions.
 - Every three years.
- 8.4 The Education Committee shall ensure that full knowledge of the Code of Ethics is included in the appropriate education syllabus and is covered by examinations on a routine basis.
- 8.5 Any complaints against Members alleging a breach of the Code of Ethics shall be dealt with in accordance with the disciplinary code, as set out in these Bye-Laws.

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9. TECHNICAL STANDARDS

- 9.1 There shall be a Technical Committee, responsible to Council for ensuring that technical material relevant to the conduct of business of Members of the Institute is brought to their attention on a timely basis.
- 9.2 The Technical Committee shall monitor developments in standards of accounting, auditing, financial reporting, insolvency, liquidations and any and all other areas of public practice.
- 9.3 Council may delegate authority to the Technical Committee to:
- Engage such external expert advice as may be considered necessary for the proper discharge of its functions;
 - Convene meetings of members to consider technical matters.
- 9.4 The Technical Committee may only communicate directly with the members with the knowledge and consent of the President of the Institute.

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10. MONITORING

- 10.1 The Council, shall from time to time, make regulations in relation to a system of review for members in practice and their firms as to the maintenance by them of proper professional standards.
- 10.2 Council may establish a Committee to oversee all monitoring activities of the Institute, necessary to fulfil its obligations as a recognised accountancy body of auditors and accountants. The Council has delegated responsibility for these matters to the Monitoring Committee. The responsibility of the Monitoring Committee to ensure risk compliance among Members of the Institute shall be of the utmost importance.
- 10.3 Monitoring reviews may consist of any and all of written questionnaires, interviews, inspection of records, observation and third party representations.
- 10.4 Monitoring reviews shall normally be conducted at the level of the firm. The monitoring review will cover the quality of work undertaken by practising members of the Institute and fellows and associate members serving in a management capacity within the firm. The monitoring review will also cover the general audit methodologies in uses by the firm, its systems of quality assurance and compliance with technical standards, the code of ethics and rules of professional conduct.
- 10.5 Where members are in mixed practice, the monitoring visit may cover the entire practice and must include access to the monitoring reports produced on the firm by other recognised supervisory bodies.
- 10.6 The Monitoring Committee may, following a monitoring review, make a recommendation to a member or a firm so as to ensure that risk compliance is complied with to the highest standard. Any member or firm who refuses to accept the recommendation of the Monitoring Committee may notify this refusal to the Investigation Committee. The Investigation Committee may affirm, vary or rescind the recommendation of the Monitoring Committee. The member or firm, or the Monitoring Committee, may appeal the decision of the Investigation Committee to the Appeals Committee. The Appeals Committee may affirm, vary or rescind the recommendation of the Investigation Committee. The provisions of Article 11, except Articles 11.7 to 11.10 shall apply to this Article 10.6.
- 10.7 The Monitoring Committee shall notify the Practising Committee immediately of any reason why the issue or renewal of a practising certificate should be withheld.
- 10.8 A written report of each monitoring review shall be maintained. The report shall be signed off by the reviewer and the most senior representative of the firm reviewed at the conclusion of the monitoring review.
- 10.9 General points arising from a monitoring visit that may have wide application for other members of the Institute shall be notified to the Council which shall decide whether they should be communicated to all members.
- 10.10 A report of overall monitoring activity, including the results achieved shall be submitted to Council for its consideration at least once a year.

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- 10.11 Any notice of a Monitoring Committee meeting shall be sent to the Minister and The Irish Auditing and Accounting Supervisory Authority, as appropriate, who may attend the meetings at their discretion.

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11. DISCIPLINE

11.1 A member or student of the Institute shall be liable to disciplinary action in any of the following cases, whether or not he was a member or student at the time of the occurrence giving rise to such liability

- (a) If, in the course of carrying out this professional duties or otherwise, he has been guilty of misconduct. Misconduct, for this purpose, shall include any act or default likely to bring discredit to himself, the Institute or the accountancy profession.
- (b) Where a member or student has been convicted by a court of competent jurisdiction in Ireland or elsewhere of any offence involving dishonesty, violence or indecency or has in any civil proceedings been found to have acted fraudulently or dishonestly, it shall be presumed to be conclusive proof that he has been guilty of misconduct for the purposes of this Bye-Law.
- (c) If he has committed any breaches of these Bye-Laws or any regulations made pursuant thereto.
- (d) If he has performed his professional work or the duties of this employment or conducted his practice inefficiently or incompetently to such an extent or frequency as to bring discredit to himself, the Institute or the accountancy profession.
- (e) If he has failed to satisfy a judgement debt or, individually or as a partner, has made an assignment for the benefit of creditors or under any resolution of creditors or order of the court or any deed or document, has had his estate placed in liquidation for the benefit of the creditors or has made any arrangement for the payment of a composition to creditors.

11.2 (a) At the first Council meeting following the Annual General Meeting each year, the Council shall appoint an Investigation Committee, a Disciplinary Committee and an Appeals Committee.

- (b) No person shall, at the same time, be a member of the Investigation Committee, the Disciplinary Committee and the Appeals Committee.
- (c) The Council shall, as it thinks fit, pay the reasonable expenses of members of the Investigation Committee, the Disciplinary Committee and the Appeals Committee, including expenses incurred in receiving legal or other expert advice.
- (d) The Council shall, as it thinks fit, pay the reasonable remuneration for their time to individuals who are not members of the Institute but who are requested to attend a meeting of the Investigation Committee, the Disciplinary Committee or the Appeals Committee.

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- (e) The Investigation Committee, the Disciplinary Committee and the Appeals Committee shall each have power to make such regulations as they may consider necessary for the performance of their respective functions.
- 11.3 In the event of a conflict of interest arising in respect of any matter before the Investigation Committee, the Disciplinary Committee or the Appeals Committee, a committee member must declare such a conflict of interest to the Investigation Committee without haste and must abstain from attending any meetings in respect of such matter. An alternative committee member shall be appointed in his/her stead in order for a valid quorum to be present.
- 11.4 The chairman at any meeting of the Investigation Committee, the Disciplinary Committee or the Appeals Committee may adjourn any meeting where such an adjournment is necessary so that the business of the meeting may be properly conducted. When a meeting is adjourned, the time and place for the adjourned meeting shall be fixed by the board. No business shall be transacted at any adjourned meeting except business which might properly have been transacted at the meeting had the adjournment not taken place.
- When a meeting is adjourned for two months or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- The parties required to attend a meeting of the Investigation Committee, the Disciplinary Committee or the Appeals Committee shall also be obliged to attend at any adjournment of that meeting, unless for good reason, which shall be notified to the chairman of the meeting, they are not in a position to attend.
- 11.5 The Investigation Committee shall consist of five persons of whom two shall be Council members and other members shall be non-accountants nominated by the Council. The quorum for meetings of the Committee shall be three of whom a majority shall be non-accountants. A simple majority of non-members must be present in order to constitute a valid quorum. The Chairman of the Investigation Committee shall be a non-accountant nominated by the Council.
- 11.6 (a) Any member or person shall have the right to make a formal complaint to the Secretary of the Institute, describing any facts or matters indicating that a member or student of the Institute may have become liable to disciplinary action. The Secretary of the Institute shall undertake an initial investigation and where possible, every effort shall be made to resolve and/or conciliate the issues arising. Where this is not possible, the Secretary of the Institute shall have a duty to lay such facts and matters before the Investigations Committee.
- (b) Where any such facts or matters have been laid before the Investigation Committee, then it shall have power to call for such further information as it may consider necessary and useful to help it to decide whether or not a prima facie case has been made against the member or student concerned. Before reaching a decision, the Investigation Committee shall be satisfied that it has taken all reasonable steps to give the member or student an opportunity to make written representations to it. The Committee may, in its absolute discretion, give the member or student an opportunity to be heard before it. Minutes of the meeting of the Investigation Committee shall be taken and the minutes taken shall constitute the written record of the meeting held.

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(c) If it is the opinion of the Investigation Committee, from the facts and matters laid before it, that a member may be or may have been conducting his practice inefficiently or incompetently, the Committee may, at its absolute discretion, require that member to obtain and act upon specific professional advice. Failure to take this advice will be recorded by the Committee.

(d) Where the matters complained of are the subject of pending civil or criminal proceedings, being proceedings which are in the opinion of the Investigations Committee relate to the facts and matters which have been laid before it, the Investigations Committee may in its discretion defer the carrying out of any duty imposed on it. Should the Committee exercise this discretion to defer, the Secretary shall, without haste, inform both the complainant and member in question of the fact of the delay and the reasoning for same.

(e) Any notice of an investigation hearing which is issued to the Respondent and the complainant shall also be sent to the Minister and The Irish Auditing and Accounting Supervisory Authority as appropriate, who may attend the hearing at their discretion.

(f) If the Investigation Committee, following its meeting in respect of the matter complained of, is of the opinion that no prima facie case exists, the Secretary shall within seven (7) days of the meeting issue a notice of such findings to both the member or student and the complainant.

(g) If the complainant is not satisfied with the notice issued by the Investigation Committee that no prima facie case exists against the member or student, the complainant may make this known in writing to the Investigation Committee within seven (7) days of the issue of the notice from the Investigation Committee. The complainant may seek to have the matter referred to the Disciplinary Committee. The discretion to refer the matter to the Disciplinary Committee rests solely with the Investigation Committee. Should the Investigation Committee decide to refer the matter to the Disciplinary Committee the member or student and the complainant shall be notified in writing within seven (7) days of this decision.

11.7

(a) The Disciplinary Committee shall consist of five members of whom two shall be Council members and other members shall be non-accountants nominated by the Council. The quorum for meetings of the Committee shall be three of whom a majority shall be five, of whom one shall be a non-accountant. The Disciplinary Committee shall not include any member or former member of the Investigation Committee whom has been concerned with the complaint which is now the subject matter before the Disciplinary Committee.

(b) The Legal Advisor of the Institute shall serve as recording secretary to the Committee and arbiter on points of law. At the conclusion of the hearing of a disciplinary case, the Legal Advisor shall produce an official record of the proceedings and a written confirmation that due process and procedure has been applied.

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11.8

- (a) In the event that the majority of the Investigation Committee is of the opinion that a prima facie case exists against a member or student of the Institute, then the Investigation Committee shall send such formal complaint to the Disciplinary Committee and shall notify the student or member and the complainant of this. When a formal complaint is referred to the Disciplinary Committee by the Investigation Committee, the Disciplinary Committee shall, within twenty one (21) days, notify the Respondent and the complainant of the nature of the complaint and of the time and place fixed for the hearing, which will be held fourteen (14) days after the date of the notice and shall be held in private.
- (b) The Disciplinary Committee shall give the Respondent the opportunity to attend the hearing, to be heard before it and to adduce documentary evidence. The Respondent may call witnesses to give evidence on his behalf and, of he so desires, he shall be permitted to be represented at the hearing by counsel or by a solicitor or by a member of the Institute. The Respondent can cross examine witnesses. If the Disciplinary Committee is satisfied that notice of the hearing was duly given to the Respondent and the Respondent does not attend the hearing, then the Disciplinary Committee may proceed with the hearing in the absence of the Respondent.
- (c) Any notice of a disciplinary hearing which is issued to the Respondent and the complainant shall also be sent to the Minister and The Irish Auditing and Accounting Supervisory Authority as appropriate, who may attend the hearing at their discretion.
- (d) The Investigation Committee may appoint the Secretary or any member of the Institute to explain the formal complaint before the Disciplinary Committee or may instruct a solicitor to support, to the brief counsel to support, such complaint. Witnesses may be called to give evidence on behalf of the Investigation Committee and documentary evidence may be adduced.
- (e) The Committee may, at its discretion, require that all evidence should be taken under oath.
- (f) The Disciplinary Committee may instruct a solicitor to act, or brief counsel to act, as legal advisor on the hearing of any formal complaint.
- (g) Following receipt of the aforesaid notice from the Disciplinary Committee by the Respondent, he may give notice in writing to the Secretary of the Institute that he wishes to admit, without appearing before the Disciplinary Committee, that the complaint brought against him is valid. In such circumstances the Disciplinary Committee will proceed to hear the complaint in the absence of the Respondent.
- (h) Where the matters complained of are the subject of pending civil or criminal proceedings, being proceedings which are in the opinion of the Disciplinary Committee related to the facts and matters which have been laid before it, the Disciplinary Committee may in its discretion defer the carrying out of any duty imposed on it. Should the Committee exercise this discretion to defer, it shall, without haste, inform both the complainant and member in question of the fact of the delay and the reasoning for same.

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11.9

- (a) If the Disciplinary Committee is of the opinion that the complaint has been proved in whole or in part, it shall make a finding to that effect. In such circumstances, having regard to the status (member or student) of the Respondent and the Disciplinary Committee's views as to the nature and seriousness of the complaint and any other circumstances the Disciplinary Committee considers relevant, the Committee may make any one or more of the following orders against the Respondent.

A) If the Respondent is a member:

- (i) that he be excluded from membership;
- (ii) that he be suspended from membership for a period which shall not exceed two years. In the case of suspension for failure to satisfy a judgement debt, the period of suspension shall continue until the member shall establish to the satisfaction of the Disciplinary Committee that the debt has been satisfied;
- (iii) that his Practising Certificate be withdrawn;
- (iv) that he be ineligible for a Practising Certificate,
- (v) that he be reprimanded;
- (vi) that he be fined a sum to be determined by the Disciplinary Committee;
- (vii) any other order that the Disciplinary Committee feels is appropriate to the circumstances of the case.

B) If the Respondent is a student:

- (i) that he be declared unfit to become a member of the Institute;
- (ii) that his Training Contract registration be suspended for such period as shall be specified in the order but in any event not exceeding two years;
- (iii) that he be declared ineligible for a certain period to sit for such examination or examinations (or parts thereof) as shall be specified in the order. The period of ineligibility in the order shall not exceed two years;
- (iv) that he be disqualified from such examination or examinations (or parts thereof) of the Institute as shall be specified in the order, not being an examination or part thereof the result of

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which shall already have been notified to him be the Institute prior to the date of the order of the Disciplinary Committee;

- (v) that he be reprimanded;
 - (vi) any other order that the Disciplinary Committee feels is appropriate given the circumstances of the case.
- (b) If, notwithstanding its finding that a complaint has been proved, the Disciplinary Committee is of the opinion that, in all the circumstances of the case, no such order as aforesaid in these Bye-Laws is appropriate, it may take an order that no further action be taken on the complaint.
- (c) Any such order may also include a requirement that the member obtain particular advice and implement the advice so obtained.
- (d) Provided that an appeal has not been received by the Disciplinary Committee, any order of the Disciplinary Committee shall take effect twenty one (21) days from the date of the order and notice of the order shall be given to the Respondent within seven (7) days of the making of the order and a copy of the order shall be given to the Council.

11.10

- (a) Where the Disciplinary Committee makes an Order against the Respondent he may, within twenty one days of the date of the service of the Order on him, give notice of appeal in writing, to the Secretary. Those grounds of appeal shall not be amended thereafter, except with the leave of the Appeal Committee appointed to hear such appeal.
- (b) The Appeal Committee shall consist of five persons, one of whom shall be a solicitor or barrister or person with a legal qualification but who is not an accountant, (who shall be chairman). Two members of the Council and two non-accountants. The Appeal Committee shall not include any member or former member of the Investigation or Disciplinary Committees who has been concerned with the complaint which is the subject of the appeal.
- (c) On receipt by the Council of a notice of appeal, any order of the Disciplinary Committee shall be suspended, pending the decision of the Appeal Committee or the withdrawal of the Appeal.

11.11

- (a) The Appeal Committee shall, within twenty eight (28) days of receipt of the notice of appeal, send a notice to the Respondent specifying the time and place fixed for the appeal hearing. The appeal hearing is to be held within twenty eight (28) days of the issue of the notice to the Respondent.
- (b) Any notice of an appeal hearing, which is issued to the Respondent and the complainant shall be sent to the Minister and The Irish Auditing and Accounting

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Supervisory Authority, as appropriate, who may attend the hearing at their discretion.

- (c) The Appeal Committee shall give the Respondent the opportunity to attend the hearing, to be heard before it, to call witnesses to give evidence on his behalf, to adduce documentary evidence and, if he so desires, he shall be permitted to be represented at the appeal hearing by counsel or by a solicitor or by a member of the Institute. The Respondent has also the right to cross examine witnesses.
- (d) Regardless of whether evidence was taken under oath at the disciplinary stage, all evidence taken by the Appeal Committee shall be under oath.
- (e) If the Respondent does not attend the hearing and, provided that the Appeal Committee is satisfied that notice of that hearing was duly given to the Respondent, the Appeal Committee may proceed to hear the appeal in the absence of the Respondent.
- (f) The Appeal Committee may appoint the Secretary or any member of the Institute to appear on an appeal or may instruct a solicitor to appear on, or to brief counsel to appear on, such appeal. Witnesses may be called to give evidence on behalf of the Disciplinary Committee and documentary evidence may be adduced on the hearing of the Appeal. The Secretary or any member of the Institute appointed to appear on an appeal shall have the right to cross examine witnesses.
- (g) The Appeal Committee may instruct a Solicitor to act, or to brief counsel to act, as legal assessor on the hearing of any appeal.
- (h) On any, appeal, the Appeal Committee may affirm, vary or rescind any order of the Disciplinary Committee. Also on such appeal, the Appeal Committee may substitute any other order or orders, (on such terms and conditions as it thinks appropriate), which the Disciplinary Committee might have made on the original formal complaint. The Appeal Committee may, if it considers it appropriate, order that the complaint be heard again by the Disciplinary Committee.
- (i) An Order of the Appeal Committee shall take effect as from the date of the Order unless the Appeal Committee, in its absolute discretion, specified otherwise in the order.
- (j) Notice of any order of the Appeal Committee, which shall specify the reasons for such findings of the Appeal Committee, shall be sent to the Respondent and to the Council within twenty one (21) days of the making of such an order.

11.12

- (a) Any order made under Bye-Law 11.8 may direct that the Respondent pay to the Institute a sum of money by way of costs and that such sum shall be determined by the Disciplinary Committee.
- (b) Any such costs shall be paid within twenty –eight days of the date of the order having been served on the Respondent, save where notice of appeal is given against any order of the Disciplinary Committee. In such circumstances the costs

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shall not be payable until the determination of the appeal and any order arising therefrom.

- (c) No appeal shall rest solely on the matter of costs.
- (d) The Appeal Committee may in its order reduce any costs ordered by the Disciplinary Committee and the Appeal Committee may direct that the Respondent pay a sum of money by way of costs of the appeal. Any such costs shall be paid within twenty-eight days of the date of the order having been served on the Respondent.

11.13

- (a) Whenever the Disciplinary Committee finds that a formal complaint has been proved in whole or in part and makes an Order under Bye-Law 11.9, it shall, (subject as provided in this Bye- Law), cause the Order to be published as soon as is practicable in such Institute magazine publications and in such manner as it thinks fit. The findings of the Order shall be recorded in the register of findings which shall be maintained at the Institute's registered office and made available to the public during office hours. However, if the Respondent has been acquitted or if the Disciplinary Committee has ordered that no further action be taken on the complaint, the order shall not be published unless so requested by the Respondent.
- (b) No publication shall be made prior to the expiry of the period permitted for the giving of notice of appeal or, if notice of appeal is received by the Council, no publication shall be prior to the making of an order by the Appeals Committee.
- (c) The Appeal Committee shall cause any order made by it to be published, as soon as practicable, in such Institute magazine publications and in such manner as it thinks fit. The findings of the Order shall be recorded in the register of findings which shall be maintained at the Institute's registered office and made available to the public during office hours. However, if the Respondent has been acquitted or if the Appeal Committee has ordered that no further action be taken the complaint, the order shall not be published, unless so requested by the Respondent.
- (d) Any such publication under this Bye-Law shall, in exceptional circumstances, state the name of the Respondent and the order or orders made against him, unless the Disciplinary and Appeal Committees direct otherwise, provided always that, when the order is for the exclusion or suspension of a member, then the name of the Respondent shall be state in such publication.
- (e) Where the matters complained of are the subject of pending civil or criminal proceedings, being proceedings which are in the opinion of the Appeals Committee related to the facts and matters which have been laid before it, the Appeal Committee may in its discretion defer the carrying out of any duty imposed on it. Should the Committee exercise this discretion to defer, it shall, without haste, inform both the complainant and member in question of the fact of the delay and the reasoning for same.

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- 11.14 If, as a result of an order under these Bye-Laws, a member is exclude or suspended from membership, he shall immediately deliver up to the Secretary of the Institute all relevant certificates, licenses and authorisations which are affected by the order.