



THE MALTA INSTITUTE OF ACCOUNTANTS

STATUTE AND BYE-LAWS

LEVEL 1
TOWER BUSINESS CENTRE
TOWER STREET
SWATAR - MALTA

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BYE-LAWS

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THE MALTA INSTITUTE OF ACCOUNTANTS STATUTE

- Name** 1. The name of the Institute is 'The Malta Institute of Accountants'.
- Principal objects** 2. The Institute is an organisation for accountants, the principal objects of which are:
- (a) to promote, support and advance the status and interests of the accounting profession in all aspects, and to promote its character;
 - (b) to promote and secure the eligibility of members of the Institute to exercise the accounting profession in Malta;
 - (c) to encourage and assist suitable persons to join the accountancy profession and to provide means of testing the qualification of such persons for admission to membership of the Institute;
 - (d) to frame and establish standards, rules and ethics for observance in all matters pertaining to the practice of the profession, and to exercise supervision over the members of the Institute;
 - (e) to obtain the Institute's recognition from other organisations and to achieve reciprocity with other accounting bodies;
 - (f) to assist whenever possible members and relatives of deceased members who are in need.
- Ancillary objects** 3. In furtherance of its principal objects the Institute shall have the following ancillary objects and powers:
- (a) to purchase or lease, rent, hold or dispose of any buildings or other property, movable or immovable;
 - (b) to borrow or raise any money with or without security that may be required by the Institute;
 - (c) to pay remuneration and reasonable expenses of officers and employees of the Institute;
 - (d) to do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.

Provided that all the property and income of the Institute shall be used solely for the furtherance of the objects of the institute, and no members or person who has ceased to be a member shall have any personal interest in or claim against such property and income.

Class of members

4. The Institute shall have three classes of members which shall be referred to as 'Associates', 'Members' and 'Fellows'. Subject to clauses 5 and 6 below, governing admission and descriptive letters, all references to members which are contained in this statute and in the bye-laws shall apply equally to the three classes.

Admission of members

5. The rules governing the admission of members shall be as follows:

- (a) A person shall be entitled to be admitted as an 'Associate' of the Institute if:
 - (i) he has successfully completed examinations of the Institute or has been exempted therefrom, or
 - (ii) he satisfies all the requirements to qualify for a warrant of a Certified Public Accountant in terms of the Accountancy Profession Act, 1979 or any other law substituting it, and
 - (iii) in both cases, he has satisfied all other requirements provided for by the bye-laws.
- (b) An 'Associate' shall be eligible to be classified as a 'Member' of the Institute if:
 - (i) he has satisfied the requirements of (a)(i) above and,
 - (ii) he has undergone a period of accountancy experience, approved by the Council, of not less than three years.
- (c) A 'Member' shall automatically be classified as a 'Fellow' of the Institute after having completed a period of five years as a 'Member' of the Institute.

Descriptive letters	<p>6. The rules governing the use of descriptive letters shall be as follows:</p> <p>(a) An 'Associate' may use after his name the initials A.I.A. (representing the words "Associate of The Malta Institute of Accountants")</p> <p>(b) A 'Member' may use after his name the initials M.I.A. (representing the words "Member of The Malta Institute of Accountants")</p> <p>(c) A 'Fellow' may use after his name the initials F.I.A. (representing the words "Fellow of The Malta Institute of Accountants")</p>
Rights & privileges	<p>7. The rights, privileges, obligations and conditions of membership and the manner in which the same may be suspended or determined shall be such as the bye-laws shall prescribe.</p>
The Council	<p>8. There shall be a Council consisting of members of the Institute appointed in the manner prescribed in the bye-laws of the Institute.</p>
Managing the affairs of the Institute	<p>9. The Council shall manage the affairs of the Institute and may lawfully exercise all the powers of the Institute except as to such matters as are by the statute or by the bye-laws of the Institute directed to be transacted by or at a general meeting of the members of the Institute.</p>
Exercise of powers of Council	<p>10. All powers which under the provisions of the statute may be exercised by the Council shall be exercised by it in accordance with and subject to the provisions of the statute and the bye-laws of the Institute. The Council may however from time to time make such regulations as it thinks fit for the purpose of putting into effect any provisions of this statute or of the bye-laws or otherwise for regulating the affairs of the Institute and may rescind or vary or add to any such regulations provided always that no such regulations shall be in any way inconsistent with the provisions of this statute or the bye-laws.</p>

Power to make bye-laws	11. The Institute may from time to time by resolution of a general meeting specially convened for the purpose with at least fourteen days' Notice in writing, make such bye-laws as the Institute may deem fit, and from time to time may rescind or vary any of the bye-laws and make others in their stead, but such bye-laws may not be in any respect repugnant to the law of Malta or inconsistent with the express provisions of this statute.
Validity of bye-laws	12. Unless and until rescinded or varied in accordance with the last preceding clause, the bye-laws appended to this statute shall continue the bye-laws of the Institute.
Purposes for which bye-laws may be made	13. The purposes for which the Institute may make bye-laws in the manner hereinbefore set out, shall be the furtherance of the objects of the Institute and the better execution of this statute and without prejudice to the generality of the foregoing, shall regulate all such matters as are left by the statute to be prescribed by the bye-laws.
Power to amend statute	14. The Institute may by resolution, of which due Notice of intention had previously been given and passed by a majority of not less than two-thirds of the members present and voting at a general meeting of the Institute, amend or add to this statute.

**BYE-LAWS
CHAPTER ONE
The Council**

Members	1.01 The number of members of the Council shall be fourteen, of whom seven shall retire at each annual general meeting of the Institute, but shall be eligible for re-election. The retiring members at each annual general meeting shall be those who have been longest in office since the date of their last election. The immediate past president of the Institute will be eligible to be ex officio member of the Council without voting rights in the event that he is not an elected member of the Council:
Officers of the Council	1.02 The officers of the Council shall be a President, a Vice-President, a Secretary and a Treasurer.
Term of office	1.03 The Council's term of office shall be from one Annual General Meeting to another.
Nominations for retiring members	1.04 Every retiring member of the Council, unless he shall have signified to the Council in writing not later than four weeks before the annual general meeting his desire not to offer himself for re-election, shall be deemed to be nominated for election.
Eligibility of Council members	1.05 Any member of the Institute is eligible for election to the Council. Nominations of candidates for election to the Council, other than those deemed to be nominated under bye-law, shall be made by Notice in writing to the Council not later than three weeks before the date of the annual general meeting.
Notice of Nominations	1.06 Notice of the names of the candidates nominated, or deemed to be nominated under bye-law 1.04, shall be sent to all members at least fourteen days before the annual general meeting. If more candidates are nominated, including those deemed to be nominated, than there are vacancies to be filled, the members of the Institute shall at the annual general meeting fill the vacancies by election from the said candidates. If no more candidates are nominated, including those deemed to be nominated, than there are vacancies to be filled such candidates shall at the annual general meeting be declared elected to the Council. If sufficient candidates are not elected at an annual general meeting the resultant vacancies may be filled by the Council.

Election of members to Council

- 1.07**
- (a) The election of members of the Council at an annual general meeting shall be by secret ballot.
 - (b) Each member present at the meeting shall have as many votes as there are vacancies to be filled, but shall not give more than one vote to any one candidate and must vote for a minimum of four members.
 - (c) Those candidates, equal to the number of vacancies to be filled, who receive the most votes shall be elected or the order of the candidates who where not elected cannot be determined because of an equality of votes between two or more candidates, a second ballot shall be taken on such candidates.
 - (d) The declaration of the Chairman as to the result of the election shall be final.

Representation

- 1.08**
- (a) At least two members of the Council shall be members in public practice and at least two members shall be members who are not in public practice.
 - (b) No more than two members of any one firm of accountants in practice (CPAA or CPA) shall serve on the Council during the same term of office.

For the purpose of this clause a member in practice means a person who is engaged on a full-time basis, whether as a principal or an employee, in providing auditing, accounting or related services to the public.

In the event of insufficient candidates presenting themselves for nomination, either or both sub-clauses (a) or (b) shall not apply.

Changes in a Council member's status under sub-clauses (a) and (b) which occur subsequent to his election shall not affect his term of office.

President's term of office

- 1.09** No member can hold the office of President for more than two consecutive terms.

Vacation of office	<p>1.10 The office of a member of the Council is vacated:</p> <ul style="list-style-type: none"> (a) if he ceases to be a member of the Institute; (b) if he is excluded or suspended from membership, or is reprimanded or admonished under the provisions of the bye-laws; (c) if he is absent from the meetings of the Council for more than two consecutive meetings, or is absent from the meetings of the Council for more than 50% of Council meetings called during the Council's term; provided that if a member is absent from the island or in the event of serious indisposition, this rule, at the discretion of the Council, shall not apply. The member who so vacated his seat will not be eligible for nomination to the Council for the next two consecutive elections.
Resignations	<p>1.11 A member of the Council may tender his resignation from office by Notice in writing to the Council, and on its acceptance by the Council, but not until then, he shall cease to be a member of the Council.</p>
Removal of member from Council	<p>1.12 The Institute may by a resolution passed by secret ballot at a specially convened general meeting with Notice of the object (and for which resolution not less than two-thirds majority of the voting members present are required) remove any member of the Council from his office.</p>
Vacancies in the Council	<p>1.13 In the event of any vacancies occurring in the Council between two annual general meetings, the Council may fill such vacancy from amongst such candidates who were not elected to the Council at the last annual general meeting, inviting first the member who obtained the highest number of votes. If this is not possible, or if all such candidates do not accept the Council's invitation, the Council may fill a vacancy by inviting any other member of the Institute. In the event of there not being more than three vacancies in the Council at any one time, any action or proceedings of the Council shall not be invalidated or be illegal in consequence of such vacancies.</p>

**Indemnification
of council**

1.14 The members of the Council shall be indemnified by the Institute from all losses and expenses incurred by them in or about the discharge of their duties, except such as may happen from their own willful default. No member shall be liable for any misdemeanor of any other member of the Council for joining in any receipt or document or for any act of conformity or for any loss or expense happening to the Institute unless the same happens from his own willful default.

CHAPTER TWO

Proceedings and Powers of the Council

Meetings of Council	2.01 The Council shall meet at least once a month at the office of the Institute or at such other place as it may determine.
Calling of meetings	2.02 A meeting of the Council may at any time be called by the President or in his absence the Vice-President or on a request in writing by three members of the Council to the Secretary.
Notice of meetings	2.03 Notice in writing of a meeting of the Council shall be sent to each member of the Council at least seven clear days before such meeting, excluding the day on which the Notice is sent and the day on which the meeting is to be held. The Notice is to contain, where possible, a statement of the business to be transacted at such meeting. The non-receipt of such Notice, however, by any member of the Council shall not invalidate the proceedings of such meeting.
Chairman of meetings	2.04 At all meetings of the Council the President or in his absence the Vice-President shall be the Chairman; in the absence of both, the Chairman shall be elected by those present.
Voting	2.05 Except where provided otherwise in the statute or the bye-laws, every decision taken at a Council meeting shall be determined by a majority of votes of the members present. Every Council member shall have one vote, but in the case of equality of votes, the Chairman shall have a casting vote in addition to his original vote.
Adjournment of meetings	2.06 Subject to the provisions of these bye-laws, the Chairman may, with the consent of the meeting, adjourn a Council 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. No Notice need be given of an adjourned meeting unless it is so desired in the resolution for adjournment.
Quorum	2.07 Except where otherwise required by the statute and these bye-laws, five members of the Council shall form a quorum.

Election of officers	2.08 At the first meeting of the Council after every annual general meeting of the Institute the members of the Council shall elect the officers by secret ballot. The officers shall hold office until the first meeting of the Council held after the next annual general meeting. Any vacancies in any of these offices shall be filled at the next meeting of the Council.
Minutes of meetings	2.09 Proper minutes shall be recorded of all resolutions and proceedings of meetings of the Council and of the committees thereof, except in the case of committees appointed for a specific purpose, who shall report in full to the Council; and every minute signed by the Chairman of the meeting to which it is related, or by the Chairman of a subsequent meeting shall be sufficient evidence of the facts therein stated.
Secretary general	2.10 The Council may appoint a Secretary General on such terms and conditions as it may deem fit and to whom it may delegate such duties as are of an administrative nature.
Representation	2.11 All cheques on behalf of the Institute shall be signed by any two of the following: the President, the Vice-President, the Secretary, the Treasurer and the Secretary General. All other legal documents or deeds shall be signed by any two officers of the Council.
Investment of funds	2.12 All funds of the Institute, not needed immediately for the ordinary business of the Institute, may be invested by the Council in the name of the Institute in any Maltese or foreign shares, stocks or securities approved by the Council from time to time.
Borrowing powers	2.13 The Council may from time to time borrow money for the purpose of the Institute and may pay interest thereon from the funds of the Institute.
List of members	2.14 The Council shall have available every year a list of members of the Institute with such particulars as the Council deems advisable.

**Appointment
of committees**

2.15 Subject to the provisions of these bye-laws all or any powers of the Council may be delegated to sub-committees. Any such sub-committees shall, in the exercise of the powers so delegated, conform to any regulations which may from time to time be imposed upon it by the Council and these bye-laws. Save as otherwise expressly provided by these bye-laws, not all the members of any such sub-committee need be a member of the Council or of the Institute but no resolution of such sub-committee shall be binding upon the Institute unless either a majority of the members of the sub-Committee who are members of the Institute vote for the resolution or the resolution is subsequently ratified by the Council.

**Institute's
Common Seal**

2.16 The Institute's Common Seal shall be kept in such custody as the Council may determine from time to time. It shall not be affixed to any instrument except by order of the Council.

**Council may
issue codes,
guidelines and
statements to
regulate
professional
work**

2.17 The Council may from time to time issue Codes of Ethics, Guidelines on Continuing Professional Education, Auditing Guidelines and Statements of Standard Accounting Practices and shall have the authority to take such steps as it deems fit in cases where such Codes, Guidelines and/or Statements are not complied with by members of the Institute.

CHAPTER THREE

Members

Admission of Members	3.01 The admission of members shall be effected by the Council. Every applicant for admission as a member shall satisfy the Council of his having fulfilled the conditions specified by the statute and these bye-laws in such manner as the Council shall require and shall produce such evidence as the Council may deem necessary.
Council to decide as to facts	3.02 The Council shall decide whether any person applying to be admitted as a member has or has not fulfilled the conditions specified in the statute and in these bye-laws.
Refusal of membership	3.03 The Council may, at its absolute discretion, refuse to admit any person as a member whom it shall not consider to be a fit and proper person to be so admitted, or may delay his admission, notwithstanding that such person may be otherwise entitled to admission as a member.
Members bound by the statute	3.04 Every member shall be bound by the statute and the bye-laws in force at the time of his admission or which may thereafter be in force.
Certificate of membership	3.05 A person who is admitted as a member shall be entitled to a certificate to that effect under seal. Such a certificate will remain the property of the Institute.
Particulars to be supplied	3.06 It shall be the duty of each member to inform the Council of any change of address, place or places of business or employment. It shall further be the duty of each member to supply the Council with any information which the Council may reasonably require.
Resignations and re-admissions	3.07 Any member may tender his resignation from membership by sending a Notice in writing to the Council. The said member is to return every certificate of membership held by him to the Secretary General. The Council may, by resolution passed at a meeting specially convened with Notice of the subject and for which resolution not less than two-thirds of the members of the Council must be present, re-admit to membership any person who has resigned, subject to such terms and conditions as the Council may deem fit. Once re-admitted, the said member shall be entitled to his certificate of membership, which will remain the property of the Institute.

Fees	<p>3.08 Every member of the Institute shall, with effect from 1 January 2009, pay the following fees:</p> <p style="text-align: center;">Admission to membership - €58 Annual subscription - €165</p> <p>When a person is admitted to membership after the last day of June in any year, he shall pay one-half of the subscription otherwise applicable to him for that year.</p>
Retired members	<p>3.09 A member of the Institute who is over 65 years of age and who has retired from practice, may apply to be considered as a retired member. Such a member will retain all his membership rights but will not be liable to pay an annual subscription.</p>
Annual subscriptions	<p>3.10 Annual subscriptions payable under these bye-laws shall become due for payment on the first day of January of each year, or in the case of members admitted after that date, on the date of admission.</p>
Cessation of membership	<p>3.11 If any member of the Institute is adjudged bankrupt he shall thereupon ipso facto cease to be a member.</p>
Liability to exclusion, suspension, etc.	<p>3.12 If any member of the Institute:</p> <ul style="list-style-type: none"> (a) is convicted of felony or misdemeanor or is finally declared by any court of competent jurisdiction to have committed any fraud; or (b) has been guilty of any act or default discreditable to a public accountant or a member of the Institute; or (c) fails to satisfy a judgment debt or individually or as a partner makes an assignment for the benefit of creditors or under any resolution of creditors or order of the Court or any deed or document has his estate placed in liquidation for the benefit of the creditors, or makes any arrangement or composition with his creditors; or (d) is declared lunatic; or (e) willfully commits any breach of the statute and/or the bye-laws of the Institute; or

- (f) fails to pay any subscription or any other sum payable by him to the Institute under this statute or by the bye-laws of the Institute for one year after the same have become due.

He shall be liable to be excluded or suspended from membership, fined and/or reprimanded, as provided in these bye-laws.

3.13 In the event provided for in paragraph (f) of bye-law 3.12, the Council may, upon establishing the fact of non-payment and upon ascertaining the passage of one year from due date, apply such disciplinary measures as it deems appropriate; and the provisions of Chapter Six shall not apply:

PROVIDED that the Council shall, before applying disciplinary measures, request an explanation from the members as to the reason for the default.

3.14 Any members excluded or suspended from membership as provided in the preceding bye-law may seek re-instatement to membership by sending a request in writing to the Council. The Council may re-instate to membership any person who has been excluded or suspended, subject to such terms and conditions as the Council may deem fit.

3.15 Without prejudice to bye-laws 3.12(f) and 3.13, the Council may from time to time publish the names of members who have failed to pay their subscription or and other sum payable by them for at least six months after the same have become due.

Provided that before publication of a member's name as aforesaid the Institute shall give the member two months prior Notice of such publication.

CHAPTER FOUR Honorary Members

Election of Honorary members	4.01 The Council may by resolution passed by two-thirds of those present at a meeting of the Council, elect any person to be an Honorary Member of the Institute.
Descriptive Letters	4.02 An Honorary Member may use after his or her name the Initials M.I.A.(Hon.) representing 'Honorary Member of The Malta Institute of Accountants'.
Rights and obligation	4.03 An Honorary Member will be subject to the rights, privileges, obligations and conditions of membership as set out in the Statute and bye-laws of the Institute subject to the following exceptions: <ul style="list-style-type: none">(a) An Honorary Member shall not be liable to pay any admission or annual subscription fees to the Institute.(b) An Honorary Member shall not hold himself or herself out as proficient to practice the accountancy profession and shall not be entitled to any such rights which may automatically vest in members solely by virtue of his or her honorary membership of the Institute.(c) An Honorary Member of the Institute shall not be eligible for election to the Council of the Institute or be entitled to receive Notice of, attend or vote at general meetings of the Institute.

Provided that the restrictions set out in sub-paragraphs (b) and (c) above shall not apply in the case of persons who were members of the Institute prior to their election as Honorary Members.

CHAPTER FIVE

Meetings of the Institute

**Annual
General
Meeting**

5.01 The Annual General Meetings of the Institute shall be held on such day as the Council may appoint, provided that one meeting shall be held in every calendar year, and not more than fifteen months shall elapse since the date of the previous Annual General Meeting. The meeting shall deal with the following business:

- (a) Adoption of the minutes of the previous general meeting;
- (b) Adoption of the Council's report;
- (c) Adoption of the Accounts and the report by the auditors;
- (d) Consideration of motions;
- (e) Appointment of auditors;
- (f) Election of Council members;
- (g) Any other matter which the Council may designate to be transacted at the meeting.

**Extraordinary
General
Meetings**

5.02 An Extraordinary General Meeting of the Institute may be convened by the Council whenever it considers it necessary. The Council shall also convene such a meeting within one month from the receipt of a request in writing signed by not less than fourteen members and stating the object of the proposed meeting.

**Advance
Notice of
Annual general
Meetings**

5.03 The Secretary, shall not less than six weeks before the date of an Annual General Meeting, send a Notice to each member informing them of the date of the proposed meeting and inviting them to submit:

- (a) Any nominations for election to the Council, and
- (b) Any motions which they wish to bring before the proposed meeting.

**Consideration
of motions**

5.04 The Council shall include any motions put forward by members in accordance with the preceding bye-law in the Notice referred to in bye-law 5.05, provided that such motions:

- (a) are received by the Secretary not later than three weeks before the date of the Annual General Meeting,
- (b) relate to matters affecting the Institute or the accountancy profession.

**Notice of
General
Meetings**

5.05 The Secretary shall, not less than fourteen days and not more than twenty days before the date of a general meeting of the Institute, send to each member a Notice specifying the date, hour and place of the meeting and the business to be transacted, together with particulars of all motions to be brought before the meeting; and, in the case of an Annual General Meeting, the following documents shall also be sent to members:

- (a) A copy of the Council's report.
- (b) A copy of the audited accounts of the Institute for the outgoing Council's term of office.
- (c) A list of persons seeking election to the Council.
- (d) A copy of the President's address and minutes of the previous Annual General Meeting.

**Chairman of
meetings**

5.06 All general meetings of the Institute shall be chaired by the President or in his absence the Vice-President. In the absence of both, the Chairman shall be elected from among the members present.

Quorum

5.07 Save as hereinafter provided, no business shall be transacted at any general meeting unless a quorum, consisting of not less than thirty members, is present when the meeting proceeds to business. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened by the requisition of members, shall be dissolved, but in any other case it shall be adjourned to the same day in the following week, at the same time and place or to such other day, time and place as the Council may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

Adjournment of meetings	5.08 Subject to the provisions of these bye-laws, the Chairman of any general meeting of the Institute may, with the consent of the meeting adjourn the said meeting from time to time, but no business shall be transacted at the adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. No Notice shall be given of an adjourned meeting, unless it be so directed in the resolution for adjournment.
Voting at General Meetings	<p>5.09 At every general meeting of the Institute, every member present shall be entitled to one vote. Voting shall take place by a show of hands except:</p> <ul style="list-style-type: none"> (a) in respect of elections of council members, and (b) where a poll of all members present has been demanded, by not less than fourteen members, before the vote is taken.
Resolutions	5.10 Except where otherwise provided for in the statute and in these bye-laws, all resolutions placed before a general meeting shall be carried by a simple majority of votes. In the case of an equality of votes the chairman of the meeting shall have a casting vote in addition to his original vote.
Appointment and duties of scrutineers	5.11 At every general meeting of the Institute at which a poll is to be taken, the meeting shall appoint four of the members present to act as scrutineers. Such scrutineers shall examine the voting papers and shall report the result of the poll to the Chairman of the meeting. The scrutineers shall be entitled to reject any vote in which a member has failed to observe the directions relating thereto. The result of the poll as determined by the scrutineers shall be final.
Minutes of meeting	5.12 Proper minutes shall be recorded of all resolutions and proceedings of general meetings of the Institute 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 stated therein.

CHAPTER SIX Disciplinary Proceedings

- Constitution of the Investigations and Disciplinary Committees** **6.01.01** Each year the Council shall appoint:
- (a) An Investigation committee consisting of a Chairman and four members of whom three shall be a quorum, for the purpose of hearing and investigating matters brought before it by the Council as laid down in these bye-laws.

The Investigations Committee may appoint one or more of Their members or other members from the Council to act as Inquiring Officials who shall act alone or jointly in order to assist The Investigations Committee in investigating cases referred to it by Council. The inquiring Officials shall exercise their powers and duties upon the directions of the Investigations Committee.

- (b) A Disciplinary Committee consisting of a Chairman and five members of whom three shall be a quorum to hear and consider any matters brought before it in accordance with these bye-laws and shall exercise the functions and powers granted to it by these bye-laws.

6.01.02 The Chairman of the Disciplinary Committee shall preferably be a person from the legal profession who shall chair all sittings of the Disciplinary committee. The Chairman shall not have the right to vote on any of the decisions to be taken by the Disciplinary Committee.

6.01.03 No persons shall serve concurrently on both the Investigations and Disciplinary Committees.

Council to Commence all Investigations and Disciplinary Proceedings

6.02.01 The Council shall commence proceedings against any member of the Institute within six weeks from:-

- (a) Receiving a complaint in writing from any person, whether a member of the Institute or not.
- (c) When it is aware of any matter which in its opinion make a member liable to disciplinary measures.

All complaints made by any person in accordance with this bye-law shall be addressed to the Council through the Secretary of the Institute.

6.02.02 Any complaints received or initiated by the Council in accordance with this bye-law shall forthwith be laid before the Investigations Committee should the Council see grounds for further investigations.

Duties of the
Investigations
committee

- 6.02.03** If upon a complaint, or in the course of an investigation into a complaint it appears to the Council that, having regard to all the circumstances of the case, any investigations, or further investigations is unnecessary, the Council may refuse to investigate, or investigate further such complaint. Without limiting the generality of the powers conferred on the Council by these bye-laws, the Council may in its discretion decide not to investigate, or, as the case may require, not to investigate further a complaint, if in its opinion the subject-matter of the complaint is trivial, frivolous or vexatious.
- 6.02.04** In any case where the Council decides not to investigate or make further Investigations of a complaint, it shall inform the complainant of that decision and shall state the reasons therefore.
- 6.03.01** The Investigations Committee shall, within four weeks on being formally advised of the complaint, in pursuance of the preceding bye-law, give Notice to the complainant and the member against whom the complaint was lodged of its intention to consider the complaint.
- 6.03.02** For the purpose of this Chapter, a “member” shall include “accounting firms” recognized by the Accountancy Board where at least one partner is a member of the Malta Institute of Accountants.
- 6.03.03** The member against whom the complaint was lodged will be granted two weeks within which to respond to the Investigations Committee in the alleged complaint. The Investigations Committee may furnish the complainant of the member’s response, who may within a further two weeks, make further comments in writing to the Investigations Committee.
- 6.03.04** The Investigations Committee shall commence to consider the facts of the complaint laid before it, within five weeks from the Notice to the member referred to in 6.03.01 and shall give such member the opportunity of being heard and to be represented before it by legal counsel and/or by a member of the Institute provided that the number of persons representing the member shall not exceed two (2).
- 6.03.05** It shall be the duty of the member against whom a complaint was lodged to co-operate with the Investigations Committee throughout the course of the Investigations. In particular, the Investigations Committee shall have the right to request the member against whom the complaint was lodged to provide such information and supporting evidence related to the case. For the avoidance of doubt, unjustified failure by the member to comply with such a request shall constitute a breach of these bye-laws.
- 6.03.06** Nothing in this bye-law shall require the member against whom a complaint has been lodged to produce, disclose or permit inspection of privileged material. For the purposes of the bye-law adviser, his client or any person representing his client and any other person together with any enclosure or attachment with such communication created either (a) in connection with the

giving of legal advice to the client, or (b) in connection with the giving of contemplation of legal proceedings and for the purposes of those proceedings: save that a communication or item shall not be privileged material if it is created or held with the intention of furthering a criminal purpose.

- 6.03.07** During the investigations, the Investigations committee may hear or obtain information from such persons as it thinks fit, and may make such enquiries as it thinks fit.
- 6.03.08** The investigations of the matter may, if the Investigations Committee so decides, be deferred if the member against whom a complaint has been lodged so requests or if the Investigations Committee otherwise decides it is appropriate to do so, such as where criminal or civil proceedings concerning a relevant matter are pending to which a member against whom a complaint had been lodged is a party.
- 6.03.09** A detailed report, together with all the evidence given by the complainant, if any, and that by the member, against whom the complaint had been lodged, shall be drawn and signed by the Investigations Committee and/or the Inquiring Officials.

The Investigation committee shall recommend to council either (a) to dismiss a case where it considers that no *prima facie* evidence exists, or (b) to proceed with a case where it considers that *prima facie* evidence exists.

- 6.03.10** The council shall, upon the recommendations of the Investigations Committee, either (a) dismiss the case, or (b) approve the Investigations Committees' recommendations and refer the case to the Disciplinary Committee or (c) refer the case back to the Investigations Committee if it is of the opinion that further investigations need to be carried out.

Council shall take its decision during the next Council meeting, which shall be held not later than eight (8) weeks from the date of the Investigations Committee and/or the Inquiring Officials' report specified in bye-law 6.03.09

- 6.03.11** The Council shall, in the case of 6.03.10 (a) or (b) above, communicate its decision in writing to both the complainant and to the member against whom the complaint had been lodged.

In the cases where in terms of bye-law 6.03.09 a *prima facie* case exists, the Council shall communicate its decision in writing to the member against whom a complaint had been lodged by means of a Notice within two weeks from the date of the council meeting mentioned in bye-law 6.03.10.

- 6.03.12** The Notice of the Disciplinary proceedings which is to be issued by Council in accordance with bye-law 6.03.11 shall contain:

- (a) a Notice describing the specific charges against the member;
- (b) a Notice of the time and place fixed for the hearing of the disciplinary proceedings;
- (c) a summary of the case setting out the relevant facts and matters relied upon in support of the case and a copy of the evidence to be relied on in the presentation of the case;
- (d) a paper summarizing the procedure before the Disciplinary Committee;
- (e) a letter inviting the member being charged to indicate whether or not he accepts all or any of the charges made and whether or not he intends to attend the hearing and be represented and, if he accepts any of the charges, inviting him to make such statements in mitigation as he may wish to be drawn to the Disciplinary committee's attention.

6.03.13 A member charged may still attend the hearings before the Disciplinary Committee notwithstanding that he may have previously indicated that he did not intend to attend.

6.03.14 The Council shall procure that a copy of the Notice, the Investigations Committee's detailed report and all the evidence be placed before the Disciplinary Committee.

6.03.15 After any case has been referred by Council to the Disciplinary Committee, the Investigations Committee may make such further enquiries, as it shall consider appropriate in order to assist in the preparation of the case to the Disciplinary committee.

**Duties of the
Disciplinary
Committee**

6.04.01 The Disciplinary Committee shall, within three weeks of the date of the Notice of the Disciplinary proceedings proceed with the case and in pursuance of bye-law 6.03.09, commence to consider the facts or complaints laid before it.

6.04.02 The Disciplinary proceedings should be completed within twelve (12) weeks of their commencement unless a different time limit would have been specified by Council. In determining a different time limit from the twelve week period specified above, Council shall take into consideration justice to be done within a reasonable time and the facts of the case brought before it. Any delays caused by the defence counsel of the member shall not count towards this time-limit. Any specified time-limit may be further extended at the Council's discretion.

6.04.03 Notwithstanding the above-mentioned time-limit where, in the cases of serious offences, the Disciplinary Committee's report and statement in terms of bye-law 6.06.01 submitted in a period beyond the said time-limit due to circumstances beyond the control of the Disciplinary Committee, resulting in a decision not being raised within the said time-limit, the Council would still have the right to make any such decision without there being any prescription in terms of the aforementioned time-limit

to exonerate guilt and/or dismiss the case.

6.04.04 The Disciplinary Committee is to consider the report made by the Investigations Committee. The Disciplinary Committee shall give Notice to the member if its intention to consider the complaint and shall give such member the opportunity of being heard and to be represented before it by legal counsel and/or by a member of the Institute provided that the number of persons representing the member shall not be more than two (2). The Disciplinary committee may request one or more of the members of the Investigations Committee to support the complaint before it and/or may engage legal counsel to support such complaint. The Disciplinary committee can continue to hear the case even if the member does not attend such meetings.

6.04.05 The member charged and/or his representative may request either at the hearing or in advance of it by written request to the Disciplinary Committee, that the hearing be adjourned to a future meeting. If such a request is made, it will be considered at the outset of the hearing (if by then the request has not already been agreed to on behalf of the Disciplinary committee) and the Disciplinary Committee may in its absolute discretion agree to the request if it is of the view that it is justified in all circumstances, or itself direct that the case should be so adjourned, or agree to the request subject to such conditions as it may determine. It may (but need not and without limitation) agree to or direct an adjournment where criminal or civil proceedings concerning a relevant matter are pending to which the member charged is a party.

Witnesses and
Evidence

6.05.01 The member against whom disciplinary proceedings are being conducted and the members of the Investigations Committee who are supporting the complaint before the Disciplinary Committee shall before the first hearing of the disciplinary proceedings provide a list of all the witnesses that either party intends to produce in support of his case. Besides the name and address of each witness, such lists shall contain an indication of the proof that is intended to be made by the production of each witness.

6.05.02 No person whose name has not been included in the list of witnesses may be produced to give evidence, unless the Disciplinary Committee is satisfied that the omission of the name of such witness is justified on the grounds that the party intending to produce such witness did not know of such evidence on the date of the first hearing of the disciplinary proceedings, or that the need to produce such evidence arose after the date of the first hearing of the disciplinary proceedings or for any other reason to the satisfaction of the Disciplinary Committee.

6.05.03 Witnesses may be cross-examined by either party to the disciplinary proceedings.

6.05.03 The member charged may submit such documentary evidence as he may wish to be drawn to the Disciplinary Committee's attention, provided that any such documentary evidence must be submitted not less than 7 days prior to the hearing of the case. Documents submitted less than 7

days prior to the hearing will only be considered by the Disciplinary Committee in exceptional circumstances.

Powers of
Disciplinary
Committee

6.06.01 If the Disciplinary Committee is of the opinion that a complaint has been proved, it shall make a statement to that effect and thereupon shall advise Council, supported by a detailed report drawn up and signed by at least three members. If, on the other hand, the Disciplinary committee dismisses the case then Council must be advised accordingly.

6.06.02 The Disciplinary Committee shall advise the Council whether the member concerned should be excluded from membership, or suspended, or fined, or reprimanded.

The Council shall charge costs incurred in the Disciplinary proceedings to the member against whom Disciplinary proceedings have been conducted of the member is found guilty of an offence. These costs are to be paid by the member within five (5) weeks from the decision of the Council pursuant to bye-law 6.07.01 below unless an appeal is filed in accordance with bye-law 6.07.01.

6.06.03 The Council's decision shall take effect, subject to the member's right of appeal as set out in these bye-laws.

Disciplinary
Committee
decisions and
appeals

6.07.01 The Council shall within two weeks from the Disciplinary Committee's advice pursuant to bye-laws 6.06.01 and 6.06.02 inform in writing the member concerned of the findings of the Disciplinary Committee and of the subsequent decision of the Council together with a statement of the reasons for the decision. In the case of a member who has been found guilty of an offence, the Council shall also inform such member of his right of appeal indicating where the appeal should be lodged together with a paper summarizing the procedure before the Appeal Committee. The member must lodge a Notice of Appeal within thirty (30) days from the date of the Notice sent to him by the Council.

6.07.02 The Notice of Appeal must state whether the appellant is disputing:

- (a) the facts on which the decision is based;
- (b) the decision itself; or
- (c) the sanction imposed

Appeals
Committee

6.07.03 The Council within four weeks after the receipt of such Notice of Appeal set up an Appeals Committee, which shall consist of a Chairman and five members preferably from the Council, provided that no member of the Investigations or the Disciplinary Committee, who heard or considered the case, shall be eligible for appointment to such an Appeals Committee. Council may also consider other members of the Institute or persons from outside the Institute to sit on such an Appeals Committee. Three members of the Appeals Committee shall constitute a quorum.

The Chairman of the Appeals Committee shall preferably be a person from the legal profession who shall chair all sittings for the Appeals Committee. The Chairman shall

not have the right to vote on any of the decisions to be taken by the Appeals Committee.

Powers and
Duties of Appeals
Committee

6.08.01 Within three (3) weeks from its appointment in accordance with bye-law 6.07.03, the Appeals Committee shall commence to determine the appeal. After considerations of the record of the evidence given before and documents produced to the Disciplinary Committee, but shall have full discretionary powers to rehear any witness called before the Investigations Committee and/or the Disciplinary Committee, or to receive fresh evidence on special grounds. The Appeals Committee shall give the appellant concerned an opportunity of being heard before it and shall, if so desired by him permit him to be represented before it by legal counsel and /or a member of the Institute provided that the number of persons representing the appellant shall not exceed two (2). The Appeals Committee may request one or more of the members of the Investigations Committee and/or the Disciplinary Committee, or its legal counsel to support the decision of either or both of the Committees.

6.08.02 The Appeals Committee shall have full power to affirm, alter or reverse the findings of the Disciplinary Committee and the decision of the Council. The Appeals Committee shall inform the Council of its opinion and the decision of Council shall take effect forthwith. The Council shall inform the appellant of its final decision in writing within three days. The decision of the Council shall be final, without prejudice to the member's own right at law.

6.08.03 The Council may charge costs incurred in the appeal to the appellant if the appeal is lost plus all other costs incurred in conducting the disciplinary proceedings. These costs are to be paid by the appellant within two weeks from the decision of the council under bye-law 6.08.02.

Publications of
findings and
decisions

6.09.01 Where the Disciplinary finds that a formal complaint has been proved, the Council shall cause to be published in such manner as it shall think fit the findings of the Disciplinary Committee and the decision of Council, provided that such publication shall not be made before forty-five days after the date of Notice to the member concerned of the decision of the Council and where the member concerned has within thirty days appealed to the Council, such publication shall not be made. If in a case where the Appeals Committee affirms the findings of the Disciplinary Committee that the complaint has been proved, the Council may cause to be published in such manner as it shall think fit such findings and decisions of the Appeals Committee as soon as possible after such findings and decisions are pronounced.

The publications shall include the name of the member concerned, unless in a particular case the Council considers that there exist special circumstances, which justify the omission of the name from such publication. Where the Disciplinary Committee finds that a formal complaints has not been proved or when on appeal,

the Appeals Committee so finds, the council may make such publications (if any) as in the circumstances of the case it considers desirable.

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| Return of
Certificates in
Event of
Exclusion or
Suspension | <p>6.10.01 In the event of suspension or exclusion of a member, every certificate of membership held by him shall be returned to the Secretary General, in the case of suspension to be retained during the period of suspension or, in the case of exclusion, to be cancelled. The Institute shall be free to take all legal steps necessary to enforce the contents of this bye-law.</p> |
| Penalties | <p>6.11.01 In the event of penalty levied the member is bound to pay such a fine within two weeks.</p> <p>6.11.02 Should a member fail to comply with payment of the penalty within the prescribed time specified in bye-law 6.11.01 the Council may take further steps against the member which may lead to suspension or exclusion.</p> <p>6.12.01 In the Event of exclusion of a member such decision shall be notified to the competent authority.</p> |
| Notices | <p>6.13.01 (a) Any Notice or other document required to be given to a member against whom a complaint has been lodged or against whom a Notice of disciplinary proceedings has been issued may be given to him personally or by sending it by post to his registered place of address. If the member has no registered address any Notice or document should be sent by post to the member's address last known to the Institute. Any such Notice or document so sent shall be deemed to have arrived within 72 hours (excluding Saturdays, Sundays and Public Holidays) of dispatch.</p> <p>(b) Any Notice or document required to be given to the Institute may be given by sending it to the Secretary at the principal office of the Institute.</p> |
| Proceedings held
<i>in camera</i> and
confidentiality of
proceedings | <p>6.14.01 All proceedings conducted before the Investigations, the Disciplinary and the Appeals Committee shall be held in private. No person involved in the Investigations, the Disciplinary and the Appeals proceedings may disclose to any person, otherwise than in the exercise of his official function relative to such proceedings, the contents of any document, communications or information whatsoever, which has come to his Notice during the proceedings. Furthermore, the provisions of the Professional Secrecy Act and the right of clients of the member to the confidentiality of information relating to them must be observed at all times.</p> <p>6.15.01 All sittings of the Investigations, Disciplinary and Appeals Committee shall be recorded on magnetic tape, a copy of which is to be given both to the complainant and the member prior to each sitting.</p> |

Power to make regulations

6.16.01 The Council shall have the power to make such rules and regulations (not inconsistent with the statute and these bye-laws) as may be considered necessary for the performance of the functions of the Investigations, the Disciplinary and the Appeals committee. Furthermore, Council is to monitor all proceedings and shall intervene at any stage should it appear that justice is not being done.

Joint disciplinary proceedings

6.17.01 Notwithstanding the aforementioned provisions contained in this Chapter, the Council may elect to conduct joint disciplinary proceedings with the Accountancy Board as established under the Accountancy Profession Act (Chapter 281 of the Laws of Malta – the “Act”) or any other similar authority recognised by the said Act or any other competent authority (The Board).

In the event of joint disciplinary proceedings, the rules contained in this Chapter shall not apply and instead, the rules of procedure provided for under the Schedule to the Accountancy Profession Regulations issued through Legal Notice 29 of 1987 and the Accountancy Profession (Amendment) Regulations issued through Legal Notice 226 of 2004 or such other rules and regulations as may be prescribed from time to time by the Board, shall apply.

These joint disciplinary proceedings shall only apply to members of the Institute who are also warrant holders as defined in the Act.

CHAPTER SEVEN

Examinations

Holding of examinations	7.01 The Institute shall, from time to time, hold examinations of the required standard for persons desirous of becoming members of the Institute and who are, for this purpose, registered students of the Institute in terms of Chapter Eight of these bye-laws.
Education Committee	7.02 The council shall each year appoint an Education Committee which shall consist of not less than five members of the Institute of whom not less than three shall be members of the Council. Three members of this Committee shall constitute a quorum.
Standard of examinations	7.03 The education Committee shall be responsible for setting and maintaining the standard of the Institute's examinations and for this purpose shall: <ul style="list-style-type: none">(a) With the approval of the Council, issue and amend the syllabus of examinations.(b) Appoint examiners for the Institute's examinations.(c) Administer the registration of candidates for the Institute's examinations.(d) Conduct the examinations of the Institute.(e) Monitor examination papers in order to ensure that these comply with the standard of examinations set by the Institute.(f) Issue any regulations which it may from time to time deem necessary for the proper execution of the foregoing, subject to the provisions of these bye-laws.
Education sub-committees	7.04 The Education Committee may form sub-committees consisting of members of the Institute of whom at least one shall be a member of the Education Committee. These sub-Committees shall perform such functions and have such authority as may from time to time be delegated to them by the Education Committee.

Eligibility of examiners	7.05 A member of the Education Committee, or of any of its sub-committees, shall not be eligible for appointment as an examiner.
Members to supervise examinations	7.06 A member of the Institute shall be delegated to attend at the commencement of each examination.
Council to prescribe fees	7.07 The Council may from time to time prescribe fees payable to the Institute by candidates applying to sit for the Institute's examinations.
Examination results and notification thereof	7.08 The Education Committee shall consider the reports of the examiners on each examination and may accept them or reject them, or may accept them subject to any modification or alteration which may be deemed desirable. The Education Committee shall notify all candidates, in writing, of the results obtained and shall report to the Council on the results of each examination.
Exemptions from the Institute's examinations	7.09 The Education Committee may, in its discretion, exempt any person from any of the Institute's examinations on a subject for subject basis after having satisfied itself that such person holds such alternative qualifications as are, from time to time, recognised by the Council as being of at least an equivalent standard to that of the Institute's examination from which the exemption is being granted.

CHAPTER EIGHT

Registered Students

**Candidates
for
examinations**

8.01 No person other than a registered student shall be permitted to sit for the examinations of the Institute.

**Council to
issue
regulations**

8.02 Save for such matters as are provided in the statute and in these bye-laws, registered students shall be governed by regulations which shall be issued from time to time by the Council. These regulations shall specify, inter alia:-

- (a) The qualification required for registration.
- (b) The registration, subscription and other fees payable by registered students.

Privileges

8.03 Registered students shall receive all publications of the Institute and may attend any educational function arranged by the Institute.

Restrictions

8.04 Registered students shall not be entitled to any voting rights nor may they describe or present themselves as being members of the Institute or use designatory letters or description in connection therewith.

**Disciplinary
proceedings**

8.05 The provisions set out in these bye-laws relating to the disciplinary proceedings in respect of members of the Institute shall apply also to registered students.

**Administra-
tion**

8.06 Save where otherwise provided in these bye-laws and in the regulations governing registered students, all matters relating to registered students shall be administered by the Education Committee.

CHAPTER NINE
Audit

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| Appointment of Auditor | 9.01 | At each Annual General Meeting the members present shall appoint an auditor or a firm of auditors (the Auditor) and shall either determine the Auditor's remuneration for that year or shall authorise Council to establish such remuneration. Members of Council, or firms of auditors that have a partner or employee as a member of Council, shall not be eligible for appointment as the Auditor. In the event of any vacancy occurring in the office of Auditor between two Annual General Meetings or in the event of a vacancy not being filled at an Annual General Meeting, the said vacancy shall be filled by the Council at a meeting, summoned with Notice of the object. |
| Retirement of Auditor | 9.02 | The Auditor shall retire at the next Annual General Meeting after his/her or their appointment, but shall be eligible for reappointment. |
| Removal of Auditor | 9.03 | The Auditor may be removed by an extraordinary resolution passed by a majority of the votes of members present and voting at an Extraordinary General Meeting convened for the purpose. The members present may appoint another Auditor in their stead, provided that the Auditor whom it is intended to remove shall be entitled to be heard at the meeting. |