

Amended July 2024

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SECTION 1 – GOVERNANCE

1) INTERPRETATION

In these Byelaws:

- a) 'The Institute' and 'IAB' means the Institute of Accountants and Bookkeepers Limited (a Company Limited by Guarantee and not having a share capital).
- b) 'Articles' means the Articles of Association of the Institute.
- c) The expression 'Committee' will also include the expression 'Project Group', 'Working Group', 'Panel' and/or any synonymous description.
- d) 'Compliance Department' means any or all of the employees or contractors of the Institute whose role is to monitor, assess, guide and assess members in relation to their obligations to comply with the Money Laundering Regulations 2017, the Institute's Programme of Compliance, Practice Assurance or such other requirements of membership as will be notified to members or otherwise apply to members by virtue of legislation or regulation from time to time.
- e) 'Executive' means the executive management of the Institute, including but not limited to, the Chief Executive Officer.
- f) 'Finance Professional or Professional Financial Services' means service as defined by CCAB guidance.
- g) For disciplinary purposes, the term 'member' will include all classes of member.
- h) 'MLRO' means the Institute's Money Laundering Reporting Officer
- i) 'RO' means the Institute's Responsible Officer
- j) For the purpose of the Byelaws, the term minor traffic convictions will be defined as a conviction that is not a referral to a magistrate.
- k) The headings of sections and paragraphs of these Byelaws are included solely for convenience of reference and will not affect the meaning or interpretation of any of the provisions of these Byelaws.

2) ARTICLES TO PREVAIL

These Byelaws are made and amended by the Board when necessary pursuant to the Articles. In the event that any provision of these Byelaws will be incompatible or inconsistent with the Articles, the Articles will prevail.

Accordingly, any provision of these Byelaws, to the extent it is incompatible or inconsistent with the Articles, will be disregarded. In such a case, however, the remainder of the Byelaws which are not incompatible or inconsistent with the Articles will continue to apply.

SECTION 2 – THE BOARD

3) THE MANAGEMENT OF THE IAB

- a) There will be a Board that will for all purposes be the governing body of the IAB and will manage the affairs of the Institute.
- b) Election to, and the governance of, the Board of the IAB is covered by the Articles of Association.
- c) The Board will appoint a Chief Executive Officer to administer the business of IAB on their behalf.
- d) Board meetings will be held not less than four times each year, at which activities will be monitored and directed.
- e) At the Board meeting subsequent to the Annual General Meeting the statutory committees will be appointed in consultation with the Chief Executive Officer. A chairperson, convenor or similar will be appointed for each committee.

4) BOARD REMUNERATION

- a) Board members may be remunerated by the Institute in respect of normal Board and Committee duties at such rate as the Board may from time to time determine.
- b) In addition, Board members will be entitled to reimbursement of reasonable out-of-pocket expenses.
- c) For work carried out in addition to that of a normal Board member, remuneration will be paid at a rate no higher than would otherwise be payable. For example: -
 - Acting either as Examiner, Moderator or Invigilator of the examinations of the Institute.
 - Distributing either by hand, mail or otherwise, the publicity matter of the Institute.
 - Contributing either literary or other matter for publication by the Institute.
 - Undertaking, by the instruction of Board, any specific assignments that are outside their normal and regular duties as Board members.
- d) Remuneration will be determined by the Chief Executive Officer in advance and paid at a rate no higher than would otherwise be payable.

5) COMMITTEES OF THE BOARD

The Board has constituted, in accordance with the Articles of Association and by the terms of reference set out in Schedule 1 in these Byelaws, the following permanent Committees:

- a) Appendix 1 - Professional Standards Committee
- b) Appendix 2 - Business Scrutiny Panel
- c) Appendix 3 - Nominations Committee
- d) Appendix 4 - Adjudication Panel

- Member MIAB
- Fellow FIAB

The criteria for admission to these grades will be made public.

- e) An Associate, Member or Fellow on admission or upon transfer to a higher grade is entitled to receive a certificate of membership stating their designation, signed by the person appointed by Board to carry out this function. Upon cessation of membership through any cause whatsoever, the certificate will be returned to the Institute upon demand.
- f) Notwithstanding Byelaw 6a) above, the Board may determine, postpone, or refuse any application for membership or transfer to a higher grade without assigning any reason to the applicant or transferee.
- g) Having been admitted as a member of the Institute, a person must comply with the Byelaws, the framework for regulation and code of best practice and their ongoing membership will be subject, in particular, to the provisions of Byelaw 13. On application and periodically as requested, a professional member must provide evidence to the satisfaction of the Executive of their residence in the United Kingdom.
- h) The Board at its sole discretion is empowered to confer appropriate Honorary status to the President of the Institute appointed. The Board may also at its sole discretion confer the status of Honorary Membership to persons who in the view of the Board have proved to be outstanding in the world of finance.
- i) A Fellow who has qualified under Byelaw 6a) above and has agreed to pay the appropriate subscription will be entitled to use the designatory letters FIAB and may describe themselves as a 'Finance Professional'.
- j) A Member who has qualified under Byelaw 6a) above and has agreed to pay the appropriate subscription will be entitled to use the designatory letters MIAB.
- k) An Associate who has qualified under Byelaw 6a) above and has agreed to pay the appropriate subscription will be entitled to use the designatory letters AIAB.

9) TUTOR MEMBERSHIP

- a) Tutors will be admitted to IAB Tutor Membership and will be non-voting members of the Institute.
- b) As non-voting members, tutors will not be subject to the obligations of registered members to undertake to contribute to the assets of the Institute in the event of its being wound up and will not be entitled to the rights of registered members, including the right to receive notice of, attend and vote at, general meetings of the Institute.
- c) The criteria for admission to this grade will be made public and may be subject to change.

10) STUDENT MEMBERSHIP

- a) Students will be admitted to IAB Student Membership and will be non-voting members of the Institute.
- b) Unless a written exemption exists, only students who are members of the Institute, will be able to study towards an IAB regulated and/or non-regulated qualification or programme.

c) As non-voting members, students will not be subject to the obligations of registered members to undertake to contribute to the assets of the Institute in the event of its being wound up and will not be entitled to the rights of registered members, including the right to receive notice of, attend and vote at, general meetings of the Institute.

d) The criteria for admission to this grade will be made public and may be subject to change.

11) NON-UK MEMBERSHIP

a) Non-UK members will be non-voting members of the Institute (as defined in the Articles) and, as such, will not be subject to the obligations of registered members to undertake to contribute to the assets of the Institute in the event of its being wound up and will not be entitled to the rights of registered members, including the right to receive notice of, attend and vote at, general meetings of the Institute.

b) Non-UK Membership is a grade of membership for any person who is not ordinarily resident in the United Kingdom and who has registered with the Institute for a relevant qualification within the previous 12 months, or shown to the satisfaction of the Board that appropriate examinations have been successfully completed or submits for assessment, a certified list of 'accredited prior learning competencies' and references (as agreed by the Board) which demonstrate that they are a fit and proper person to be a non-UK member of the Institute both in character and employments and appropriate work experience, including the use of a commercial accounting software package.

12) FEES AND SUBSCRIPTIONS

a) The Board will determine subscriptions for all grades of membership on the recommendation of the Business Scrutiny Panel. In exceptional circumstances, the Chief Executive Officer may consider that a waiver for the year or part of the year be given to any grade of member.

b) An applicant for any grade of membership will pay such non-returnable administration fee as will be determined by Board on the recommendation of the Business Scrutiny Panel.

c) An applicant to become a member who satisfies the competencies of RPL by undertaking an accredited assessment will pay such fees as will be determined by Board on the recommendation of the Business Scrutiny Panel.

d) A member making an application to transfer to a higher grade of membership will pay such fees as will be determined by Board from on the recommendation of the Business Scrutiny Panel.

SECTION 4 – RULES OF MEMBERSHIP

13) PROVISIONS APPLICABLE TO ALL CATEGORIES OF MEMBERS

a) Every member will provide details to the Institute of the place of residence to be registered as their place of address and, subject to providing such evidence as may be requested, that the member is ordinarily resident at that address. The place so registered will, for the purpose of the statutes and articles and all matters relating to the Institute, be or be deemed to be their place of residence and is hereafter referred to as their registered address. In this Byelaw 'address', in relation to electronic communications, includes any number or address used for the purposes of such communications.

b) If any member fails to notify the Institute of their registered address, they will not be entitled to receive notice of any Annual General Meeting or other proceedings of the Institute, and no meetings or other proceedings will be invalidated by reason of such notice not being received.

- c) Any member may resign their membership of the Institute by sending the registered office a notice in writing.
- d) Any person ceasing to be a member of the Institute from any cause whatsoever will not, nor will their representatives, have any claim upon, or interest in the funds or property of the Institute by reason of their former membership, and this byelaw will apply and be effective without prejudice to the right of the Institute to claim from them or their representatives any subscriptions or other sum due to the Institute at the time of them ceasing to be a member.
- e) Members are required to notify the IAB within 14 days of any new criminal convictions, other than minor traffic convictions. There is a requirement to make disclosures throughout the period of membership (new IVAs, bankruptcy and disciplinary action by other professional bodies or HMRC) of such within 14 days.
- f) A member with an affiliated practice that is eligible for IAB supervision (as outlined in Schedule 2) must receive AML supervision from the IAB, except in cases where:
 - The practice is eligible for supervision by another Professional Body Supervisor (PBS) and the IAB and third-party PBS have agreed this arrangement;
 - The practice is already supervised by HMRC at the point the member joins professional membership, in which case the practice may allow the existing term of supervision to expire prior to gaining active IAB supervision; or
 - With express permission in writing from the IAB membership team.

14) DISCIPLINARY AND MITIGATING ACTIONS

- a) The Board will take such action as they consider necessary in the circumstances set out below, in accordance with Byelaw 14b), without assigning any specific reason.

The Board will also take such steps as it deems appropriate to identify the occurrence of the circumstances described at items i) to x) below.

- i. Illness - where a member is suffering from a physical or mental illness and a registered medical practitioner who is treating them gives a written opinion to the Institute stating that they have become physically or mentally incapable of operating to the professional standards expected of a member and may remain so for more than three months.
- ii. Subscription, fines, or other arrears - where a member is in arrears for one month from the date upon which payment thereof became due with (a) their annual subscription, (b) any fines levied by the Institute or (c) any other amount due to the Institute, howsoever such amount may have arisen.
- iii. Unregulated practice - where a member is offering a professional financial service on a self-employed basis and does not have an appropriate Certificate of AML Supervision issued by the Institute or hold a certificate or licence issued by a regulator or equivalent professional body.
- iv. Ordinary place of residence - where a member, fails to provide evidence on request that they are ordinarily resident in the United Kingdom.
- v. Bankruptcy/insolvency - where a member has become bankrupt or makes any arrangement

or composition with their creditors generally.

- vi. Compliance failing - where a member fails to comply with the Money Laundering Regulations 2017, the Institute's Professional Standards requirements or any required action notified to members generally or individually to a member by the Compliance or Membership Department.
 - vii. Dishonesty - where a member is discovered to have knowingly given inaccurate information either orally, by omission, or in their application or in any subsequent communication to the Institute, a client, or any regulatory authority.
 - viii. Convictions for relevant Offences - Convictions for offences under Schedule 2 to the Money Laundering Regulations 2017 will be a bar to membership.
 - ix. Criminal Conviction - where a member is convicted of a criminal offence other than a minor traffic violation either in a magistrates' court, crown court or equivalent court either within the United Kingdom, European Union or elsewhere.
 - x. Professional Misconduct and/or Bringing the Institute into disrepute - where a member is considered in the reasonable opinion of the Board to have fallen below the standard of expected behaviour of a professional and/or brought/ be bringing the Institute into disrepute.
- b) The Board has delegated its powers of disciplinary action against any member for any breach of the Institute's regulations to the Adjudication Panel and Appeals Panel and in respect of paragraph 14) a) vi) above; to the MLRO.
- c) Any complaints received in writing alleging compliance failings or misconduct against a member of the Institute and any such matters otherwise suspected will be referred to the MLRO or a Technical Consultant as appropriate. The MLRO or Technical Consultant will then conduct a reasonable and necessary investigation to determine whether there is a prima facie case.
- d) Where in respect of paragraph 14)a)vi), the MLRO, having taken into account the circumstance of the case, finds a member to have breached MLR requirements the MLRO may, without convening a hearing of the Adjudication Panel, request further evidence or representation from the member and may make one of the following orders against the member:-
- i. The member may be issued with an action plan outlining the failure and setting out the time frame within which compliance must be achieved to the satisfaction of the Compliance Department ("Action Plan").
 - ii. Levy a fine and/or costs, if appropriate, on the member as detailed in the Sanctions Policy. The maximum amount for each fine will be £750, and the maximum costs will be £250 which would be enforced by legal action as a debt if necessary. Failure to comply in a timely manner with any Action Plan issued to the member may result in a second fine and/or costs up to these limits also being levied; and/or
 - iii. Refer the case directly to the Adjudication Panel and will inform the member in writing of the alleged breach.
- e) When a member is under an IAB Compliance and Professional Standards investigation or a pending Adjudication Panel hearing:
- i. They will not be able to resign their professional membership in order to prevent any

findings being made or for the hearing from occurring.

- ii. Where a member's professional membership naturally ends, their membership will be extended until such time that the investigation has concluded (where there is no referral to the Adjudication Panel), or the Adjudication Panel has sat.
 - iii. With regards to above (i and ii), this would not cover AML supervision, so a member can continue to resign their supervision at any point and will not cover supervised members who are on an action plan.
- f) Excepting in relation to d) above, where a conduct matter in respect of compliance failings or professional misconduct arising from a complaint received from any party or otherwise discovered is brought to the attention of the MLRO or the Technical Consultant, and following a necessary and reasonable investigation it is established there is a prima facie case, they will submit a report to the chair of the Adjudication Panel to initiate a hearing. Thereafter the MLRO, where appropriate the Technical Consultant, or with the consent of the Adjudication Panel chair, another suitably qualified person will present the case to the panel.
- g) Obvious fee disputes will not be considered.
- h) Any member of Board referred by the MLRO or Technical Consultant to the Adjudication Panel will be required to absent themselves from all Board activities until the conclusion of the proceedings of the disciplinary and appeals processes.
- i) If after investigation of a compliance failing or complaint it is established that there is a prima facie case to be put before the Adjudication Panel in connection therewith, written communication will be sent informing the member that the compliance failing, or complaint will be referred to the Adjudication Panel. Within 14 days, the member must either submit their defence in writing or confirm their acceptance of the case findings in writing. Members will have the opportunity to attend the Adjudication Panel, however the panel will still meet if the member cannot attend. If no response is submitted, the case will be deemed to be accepted by the member.
- j) Following this 14-day period, the Adjudication Panel will convene to review any evidence submitted in defence by the member and determine the outcome and any sanctions to be applied. Sanctions may include a 'conditional order' whereby a member must meet specific conditions in a set timeline to be deemed compliant. The possibility that a member may present a defence which fully exonerates them is also acknowledged.
- k) The member will be informed in writing of the decision of the Adjudication Panel. If the member wishes to exercise the right to appeal, the member must notify the Institute in writing, stating the reason and grounds for an appeal, within fourteen days of receiving the decision of the Adjudication Panel.
- l) If the member lodges an appeal, and the appeal criteria are met, a date will be set for an Adjudication Panel Appeal Hearing no later than 14 days after the appeal notice is received.
- i. The Adjudication Panel Appeal Hearing will include at least two independent IAB persons (i.e. not previously involved with the case review). The IAB is at liberty, depending on the seriousness of the allegation, to engage legal representation for their side.
 - ii. The member will be invited to attend the meeting and may be accompanied by a legal representative or other advocate (in which case the advocate presents the member's case) or the member may represent themselves but can be accompanied (in which case the member presents the case, and the accompanying person attends for moral support/advice

to the member).

- iii. The member will be advised of the outcome of the Adjudication Panel Appeal hearing at the conclusion of the meeting, and this will be confirmed in writing by the IAB within seven days.
 - iv. Where such appeal relates to the grading allocated to a member offering professional financial services to the public, following an inspection and assessment of that member under the Institute's 'Professional Standards Inspection' regime, the appeals procedure set out in Schedule 2 will apply.
- m) If the Adjudication Panel finds that a compliance failing or other complaint against a member has been upheld wholly, or in part, it will state a finding to that effect. In the event of such findings, it may make any one or more of the following orders against the member, having regard to the case stated by the member, and the Panel's view as to the nature and seriousness of the compliance failing or complaint or any other circumstances which the Panel considers relevant. The orders that may be made against a member are that:
- i. The member be admonished.
 - ii. The member be severely and publicly admonished.
 - iii. The member be reprimanded.
 - iv. The member be severely and publicly reprimanded.
 - v. The member be ineligible for a Certificate of AML Supervision.
 - vi. The Certificate of AML Supervision be revoked.
 - vii. The member be excluded or suspended from membership.
 - viii. A fine and/or costs be levied if appropriate on the member, which would be enforced by legal action as a debt if necessary. The maximum of such fines will be £50,000 and costs up to £1,500.
 - ix. The member be given a direction:-
 - A direction may be given for the purpose of:
 - Remedying a failure to comply with a membership requirement;
 - Preventing a failure to comply, or continued non-compliance, with a membership requirement.
 - A direction may require or prohibit the taking of specified action, within a specified timeframe.
- n) A permanent register, including a record of any order made against a member, will be kept of all disciplinary cases.
- o) Unless the Adjudication Panel otherwise directs, a record of an order made against a member will be published which will state the name of the member, describe the finding and the order, provided that no such record will be published unless and until all rights of appeal have been exhausted or

- p) A member, against whom a compliance failing has been alleged, or complaint has been made which has been found by the Adjudication Panel or Appeals Panel as the case may be; to be false or not proved in full or in part, will be entitled to require a record of that decision to be published.
- q) A person who has ceased to be a member by virtue of disciplinary action will be liable for all subscriptions or other sums due to the Institute at the date of cessation of membership, and they will be a legal debt.
- r) At the end of the disciplinary process, the individual making the complaint will be notified of the action taken.
- s) If at any time the Adjudication Panel considers a public statement is necessary to maintain confidence in the Institute's requirements, Code of Best Practice, supervisory functions, including AML supervisory functions, or disciplinary procedures, it will make a recommendation to the Board which will, notwithstanding any other provision of these Byelaws, be entitled to make a public statement or statements in relation to such matters as it sees fit.

15) MEMBERS

No member will offer professional financial services to the public in the United Kingdom on a self-employed basis unless they comply with the regulations of practising members as set out in Schedule 2: Regulation of Professional Financial Services.

SECTION 5 – AWARDING AND CENTRE ACCREDITATION

16) CENTRE ACCREDITATION

- a) Centres accredited by the Institute will pay such fees and subscriptions to the Institute as set by the Business Scrutiny Panel and recommended to the Board. The relevant fees and subscriptions will vary according to grade of accreditation.
- b) Centres must give a signed confirmation of their acceptance of compliance with the Institute's centre agreement and any other requirements for accreditation advised by the Responsible Officer.
- c) Centres must provide evidence of their compliance with requirements of the Institute upon request.
- d) The Board delegates to the Executive power to accredit centres in accordance with these Byelaws and the power to waive the fees in respect of centres admitted where appropriate.
- e) Centres will be accredited under one of two accreditation types:
 - IAB UK
 - IAB international
- f) The criteria for accreditation will be made public. However, the Institute will have absolute discretion in determining the accreditation under which a particular centre is accredited.
- g) The Responsible Officer may determine, postpone or refuse any application for accreditation or transfer to an alternate accreditation type without assigning any reason to the applicant or

- h) Having been approved as an accredited centre of the Institute, a centre must comply with the Byelaws, the framework for regulation and any other requirement made by the Institute.
- i) An accredited centre must ensure that an appropriate Single Point Of Contact (SPOC) is allocated and reasonably available to facilitate communication between the Institute and the centre. The centre must notify the Institute within 14 calendar days, should the identity or contact details of the SPOC change during the period of accreditation.
- j) An accredited centre must notify the Institute within 14 calendar days of any change or event which could reasonably be considered to have a material effect on their accreditation.

17) CENTRE RIGHTS

- a) Accredited centres hold no voting rights and are not considered to be members of the Institute
- b) As non-voting entities, centres will not be subject to the obligations of registered members to undertake to contribute to the assets of the Institute in the event of its being wound up and will not be entitled to the rights of registered members, including the right to receive notice of, attend and vote at, general meetings of the Institute.

18) DISCIPLINARY ACTION

- a) The Board will take such action as they consider necessary in the circumstances set out below, in accordance with Byelaw 18b), without assigning any specific reason.

The Board will also take such steps as it deems appropriate to identify the occurrence of the circumstances described at items i) to v) below.

- i. financial – a centre fails to pay invoices or goes into administration.
 - ii. inactivity – a centre registers no learners for over a 12-month period.
 - iii. audit – a centre fails to respond to an audit request, meet an audit deadline and/or comply with any conditions arising out of an audit.
 - iv. adverse effects – a centre fails to control the risk of an act, omission, event, incident, or circumstance that then results in an adverse effect.
 - v. malpractice or maladministration – a centre is suspected of malpractice or maladministration, and this is confirmed on investigation.
- b) The Board has delegated its powers of disciplinary action against any centre for any breach of the Institute's regulations to the Adjudication Panel and Appeals Panel and in respect of in respect of paragraph 18) a)i)-v) above; to the RO.
 - c) Any complaints received in writing alleging compliance failings or misconduct against an accredited centre of the Institute and any such matters otherwise suspected will be referred to the RO or a Technical Consultant as appropriate. The RO or Technical Consultant will then conduct a reasonable and necessary investigation to determine whether there is a prima facie case.
 - d) Where in respect of paragraph 18)a)i)-v), the RO having taken into account the circumstance of the case, finds a centre to have breached the centre agreement requirements or other regulatory requirements the RO may, without convening a hearing of the Adjudication Panel, request further

evidence or representation from the member and may make one of the following orders against the centre:-

- vi. temporary suspension of accreditation.
 - vii. written warning
 - viii. fine
 - ix. withdrawal of approval.
- d) At any time during or after the investigation, the Chief Examiner may notify the relevant regulator(s) and any awarding organisations of the investigation or its findings.
- e) When a centre is under an IAB Compliance and Professional Standards investigation or a pending Adjudication Panel hearing:
- 1. They will not be able to resign their accreditation in order to prevent any findings being made or for the hearing from occurring.
 - 2. Where a centre's accreditation naturally ends, their accreditation will be extended until such time that the investigation has concluded (where there is no referral to the Adjudication Panel), or the Adjudication Panel has sat.
- f) Excepting in relation to d) above, where a conduct matter in respect of compliance failings or misconduct arising from a complaint received from any party or otherwise discovered is brought to the attention of the Technical Consultant, and following a necessary and reasonable investigation it is established there is a prima facie case, they will submit a report to the chair of the Adjudication Panel to initiate a hearing. Thereafter the Technical Consultant, or with the consent of the Adjudication Panel chair, another suitably qualified person will present the case to the panel.
- g) If after investigation of a compliance failing or complaint it is established that there is a prima facie case to be put before the Adjudication Panel in connection therewith, written communication will be sent informing the centre that the compliance failing, or complaint will be referred to the Adjudication Panel. Within 14 days, the centre must either submit their defence in writing or confirm their acceptance of the case findings in writing. Centres will have the opportunity to attend the Adjudication Panel, however the panel will still meet if the centre cannot attend. If no response is submitted, the case will be deemed to be accepted by the centre.
- h) Following this 14-day period, the Adjudication Panel will convene to review any evidence submitted in defence by the centre and determine the outcome and any sanctions to be applied. Sanctions may include a 'conditional order' whereby a centre must meet specific conditions in a set timeline to be deemed compliant. The possibility that a centre may present a defence which fully exonerates them is also acknowledged.
- i) The centre will be informed in writing of the decision of the Adjudication Panel. If the centre wishes to exercise the right to appeal, the centre must notify the Institute in writing, stating the reason and grounds for an appeal, within fourteen days of receiving the decision of the Adjudication Panel.
- j) If the centre lodges an appeal, and the appeal criteria are met, a date will be set for an Adjudication Panel Appeal Hearing no later than 14 days after the appeal notice is received.
- i. The Adjudication Panel Appeal Hearing will include at least two independent IAB persons (i.e. not previously involved with the case review). The IAB is at liberty, depending on the seriousness of the allegation, to engage legal representation for their side.
 - ii. The centre will be invited to attend the meeting and may be accompanied by a legal

representative or other advocate (in which case the advocate presents the centre's case) or the centre may represent themselves but can be accompanied (in which case the centre presents the case, and the accompanying person attends for moral support/advice to the centre).

- iii. The centre will be advised of the outcome of the Adjudication Panel Appeal hearing at the conclusion of the meeting, and this will be confirmed in writing by the IAB within seven days.
 - iv. Where such appeal relates to the grading allocated to a centre following an inspection and assessment, the appeals procedure set out in Schedule 2 will apply.
- k) If the Adjudication Panel finds that a compliance failing or other complaint against a centre has been upheld wholly, or in part, it will state a finding to that effect. In the event of such findings, it may make any one or more of the following orders against the centre, having regard to the case stated by the centre, and the Panel's view as to the nature and seriousness of the compliance failing or complaint or any other circumstances which the Panel considers relevant. The orders that may be made against a centre are that:
- i. temporary suspension of accreditation.
 - ii. written warning
 - iii. fine
 - iv. withdrawal of approval.
- l) Where a centre has multiple sites, the IAB may impose sanctions either at a specific site where risk has been identified or across all of the centre's sites, should the IAB deem that the nature of the risk warrants this action.
- m) A permanent register, including a record of any order made against a centre, will be kept of all disciplinary cases.
- n) At the end of the disciplinary process, the individual making the complaint will be notified of the action taken.
- o) If at any time the Adjudication Panel considers a public statement is necessary to maintain confidence in the Institute's requirements, awarding functions or disciplinary procedures, it will make a recommendation to the Board which will, notwithstanding any other provision of these Byelaws, be entitled to make a public statement or statements in relation to such matters as it sees fit.

Appendix 1 - TERMS OF REFERENCE FOR PROFESSIONAL STANDARDS COMMITTEE

Appendix 2 – TERMS OF REFERENCE FOR BUSINESS SCRUTINY PANEL

Appendix 3 – TERMS OF REFERENCE FOR NOMINATIONS COMMITTEE

Appendix 4 – TERMS OF REFERENCE FOR ADJUDICATION PANEL

Appendix 5 – TERMS OF REFERENCE FOR APPEALS PANEL

APPENDIX 1

TERMS OF REFERENCE FOR PROFESSIONAL STANDARDS COMMITTEE

1) Purpose

- a) The IAB Board has ultimate responsibility as custodians of the standards for professional conduct outlined in the Articles of Association.
- b) The Professional Standards Committee (PSC) is constituted by the IAB Board to maintain and enhance the reputation of the IAB by ensuring consistently high standards are established and sustained in respect of admission to IAB membership, compliance with legislative and regulatory requirements, ethical and professional conduct and continuing professional development.
- c) In fulfilling this purpose, the PSC will monitor the performance and attainment by IAB and provide independent guidance for the Directorate/Management in achieving its remit within the IAB Strategy and Business Plan.

2) General Regulation

- a) The PSC will normally meet monthly, with additional meetings, as necessary.
- b) The Committee's quorum will be three.
- c) Any Committee member not attending or not contributing for three consecutive meetings within a 12-month period will be deemed to have resigned from the Committee at the discretion of the Chair.
- d) The Chair will, in consultation with the CEO, nominate a member of the IAB staff to provide administrative support and to facilitate communication between the Committee and IAB.
 - e) The Chair may invite any person, including members of IAB staff or advisers, to attend any meeting or part of a meeting of the Committee. Such persons will attend as guests and will not be members of the PSC.

3) Composition

- a) The PSC will include a chair and between two and four further Committee members appointed by the IAB Board for their professional expertise and experience in the regulation of standards within organisations.
- b) Committee members will be drawn from appropriate professional association backgrounds and will also have relevant knowledge of regulations and legislation with relevance to IAB and its members.
- c) The IAB Board appoints the Chair of the PSC. The proposed Chair of the PSC will be recommended by the Nominations Committee, in consultation with the PSC, and appointed by the Board.
- d) The Chair of the PSC will be a specialist conversant with regulatory and legislative requirements.
- e) Committee members must declare any conflict of interest and where necessary recuse themselves.

4) Functions

The roles and responsibilities of the PSC are to:

- a) Publish a code of professional conduct and a competency framework which is continuously developed to reflect evolving international and worldwide professional standards for members.
- b) Provide oversight of the outcomes and the standards required for IAB membership, including:
 - Core Competency
 - Professional, ethical conduct and compliance
 - Continuing Professional Development
- c) Conduct periodic reviews, as determined by the IAB Board, to ensure the IAB meets its legislated responsibilities and obligations relating to health, employment, data, CPD compliance review and financial management.
- d) Ensure that IAB takes a systematic approach to the use of data by working to an accountability framework set out by ICO. This includes a series of policies and procedures covering all aspects of all data flows both within the organisation and in terms of its outside stakeholder groups.
- e) Consider when necessary; matters referred by the IAB Board, or other matters, that the Committee itself deems relevant, in relation to its purpose set out above.
- f) Commission and progress oversight of investigations in line with established procedures, into any matters of concern.
- g) Provide oversight and quality assurance of the supervisory functions exercised by IAB, including relevant policies, procedures and processes in the management of compliance meeting regulatory requirements and fulfilling IAB business strategy. In particular to ensure the appropriate sufficiency, conduct, reporting, subsequent assessment and grading of Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLR 2017) inspections.
- h) Monitor the range of compliance issues identified by IAB to focus on professional development and practice improvement through learning and education products.
- i) Reviewing and approving amendments and periodic reviews to IAB departmental policies.

5) Powers

In all matters, the role of the PSC will be advisory unless the IAB Board makes a specific delegation of power.

6) Reporting

- a) The IAB Board will receive a report from the Chair of the PSC, on its activities, four times a year.
- b) The IAB Board has the right to request a report on the results of inspections conducted into the compliance with anti-money laundering regulations, and other relevant legislation amongst members. In order to facilitate this, the IAB Board will ensure that PSC is a standing agenda item in its meetings, under the heading Professional Standards
- c) The Committee will review its effectiveness, these terms of reference and its membership annually, providing appropriate reports to the IAB Board.

APPENDIX 2

TERMS OF REFERENCE FOR BUSINESS SCRUTINY PANEL

1. Relevant Legislation & Regulation

- a) The Office of Qualifications and Examinations (OFQUAL) Regulation Handbook: General Conditions of Recognition¹
- b) The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (Schedule 1) As amended.²
- c) Office for Professional Body Anti-Money Laundering Supervision (OPBAS) Sourcebook for professional body anti-money laundering supervisors³

2. Overview

- a) The purpose of the IAB **Business Scrutiny Panel** (BSP), on behalf of the Board and Professional Standards Committee (PSC), is to provide executive oversight for the operation of IAB in the discharge of its functions as:
 - An Awarding Organisation under terms set by (OFQUAL) and the relevant Conditions of Recognition.
 - A Professional Body Supervisor under the Money Laundering Regulations 2017 and the terms set by (OPBAS).
 - A membership Organisation under the terms set out in the IAB Byelaws and Policies approved by the IAB Board and PSC.
- b) It is expected by regulators, and the IAB Board, that IAB will establish a clear structure for managing performance in meeting regulatory requirements and the delivery of effective and efficient services for IAB members. The IAB Business Scrutiny Panel fulfils this purpose.
- c) The Business Scrutiny Panel provides a mechanism for senior managers' active engagement in the oversight of issues including business performance, staff development, business systems, resourcing, operational methods, leadership, quality management and outcome delivery to ensure IAB consistently identifies efficiencies and recognises improvements and achievement.
- d) In addition to examination of routine activities and outcomes, where IAB has instigated a development project(s), the Business Scrutiny Panel will also provide a mechanism for oversight of progress.
- e) These arrangements are intended to promote co-ordination, information sharing within the organisation, problem solving and effective decision making through delegation based on evidenced conclusions.
- f) However, there are clear differences in oversight issues, and distinctions between IAB's own business development, advocacy support for IAB members, the regulated responsibilities of IAB as an

¹ <https://www.gov.uk/guidance/ofqual-handbook>

² <https://www.legislation.gov.uk/ukxi/2017/692/contents/made>

³ <https://www.fca.org.uk/publication/opbas/opbas-sourcebook.pdf>

awarding organisation and, as a professional body supervisor under the Anti Money Laundering Regulations.

- g) Ordinarily, the Business Scrutiny Panel will engage with the following IAB Business Areas:
 - Professional Standards (including AML supervision)
 - Awarding Organisation
 - Membership
 - Business Development (including marketing and communications)
- h) Notwithstanding the benefits of a collective focus involving joint scrutiny of all the IAB business areas, the distinctions between different regulated IAB activities need to be reflected in a way which provides separate, dedicated oversight, particularly where any conflict of interest or competing requirement may be perceived.
- i) Accordingly, at the discretion of the panel chair, the Business Scrutiny Panel may be convened to engage with an individual IAB business area, or several, as required or determined by the issues in focus.
- j) In exercising its oversight function, the Business Scrutiny Panel may also call for representation from any other IAB business area (including contracted service providers).

3. Composition

- a) The Business Scrutiny Panel chair should be a senior IAB manager, normally a Board member.
- b) The panel will routinely comprise a chair and up to two other members but may operate with the chair alone.
- c) Any changes to the panel members should be selected by the Professional Standards Committee for their experience and expertise in executive level oversight.
- d) Particularly with reference to the need for the separation of roles (see Paragraph 1.6 above) a Panel member should be withdrawn where other functions within IAB, or in relation to any matter being considered by the panel indicates a potential conflict of interest.
- e) The Business Scrutiny Panel will be attended by the responsible manager for the business area (or areas) scheduled for discussion or as required by the panel chair.
- f) For clarity, the relevant responsible manager roles (title) will be specified in appendices.
- g) Responsible managers will ensure accurate and up-to-date performance data or other information, as required, is prepared and presented to the panel.
- h) Where necessary, and by prior arrangement with the panel chair, a nominated deputy may attend to represent the responsible manager.

4. Operation

- a) The Business Scrutiny Panel should convene monthly or at regular intervals as determined by the Chair.
- b) The Panel agenda providing scope for routine monitoring of IAB business areas will be informed by statistics or other performance information.
- c) Minutes kept for each meeting shall not be exhaustive, but will record the rationale for decisions made, and details of any actions requiring attention for subsequent follow-up.

- d) The range of data indicators considered necessary will be identified by the Business Scrutiny Panel, including those appropriate for each IAB business area, more widely relevant for IAB as an organisation, or drawn from Policies approved by PSC.
- e) The Business Scrutiny Panel may, from time to time, adjust or amend the type or range of performance information needed to properly exercise its functions and similarly will direct responsibility for the collection, maintenance, oversight, and presentation of the data records it requires.
- f) The oversight issues and performance information data currently under use by the Business Scrutiny Panel for each IAB Business Area will be recorded in the following departments:
 - Professional Standards (including AML Supervision)
 - Awarding Organisation
 - Membership
 - Business Development (including marketing & communications)
- g) In addition to monitoring updates as required from time to time by PSC or the IAB Board, the Business Scrutiny Panel will provide an overview highlighting performance outcomes and identifying emerging risks in an annual report to the Professional Standards Committee.

Business Scrutiny Panel Agenda

- h) The Business Scrutiny Panel agenda will include (Part 1): Standard items and (Part 2): Specific items relevant for each Business Area.
- i) The 'Standard Agenda Items' (Part 1) will be:
 1. Prior meeting and matters arising
 2. Updates on previously allocated Actions
 3. Current Performance
 4. Emerging Trends or Issues
 5. Actions Required
- j) Agenda Items (Part 2) required for Business Areas will be determined by the Chair in relation to issues currently relevant for that Business Area.
- k) Throughout the year the Business Scrutiny Panel should also focus on relevant 'thematic' issues, identified by the Chair, ensuring performance is being assessed over time and, where necessary, problems are being addressed and outcomes recognised.
- l) The depth and extent of examination required for each of these 'themes' may be determined by the Chair.
- m) Where necessary, the Panel may call for reports to be presented and discussed to ensure issues are sufficiently researched, analysed and addressed.
- n) The panel chair will direct which arrangements should apply to ensure effective administrative support for scheduling meetings, minute taking and records management for the Business Scrutiny Panel.
- o) The panel agenda (part 1 & 2) will be circulated to panel members, responsible managers and other required attendees in advance of each meeting to enable preparation of any required data or update information.

APPENDIX 4**TERMS OF REFERENCE FOR NOMINATIONS COMMITTEE****1) Purpose**

- a) The IAB Board has the ultimate responsibility to provide a high standard of professionalism.
- b) The purpose of the Nominations Committee is to provide the IAB Board with assurance and independent judgement, recommendations for the appointment of Board members, the Chair and members of the Institute's committees, including the BSP, PSC committees and the Conduct and Appeals Panels.

2) General regulation

- a) The Nominations committee will normally meet as required.
- b) The committee's quorum will be three.
- c) The Chair will, in consultation with the CEO, nominate a member of the IAB staff to provide administrative support and to facilitate communication between the Committee and IAB.
- d) The Chair may invite any person, including members of IAB staff or advisers, to attend any meeting or part of a meeting of the committee. Such persons will attend as guests and will not be members of the Nominations Committee.

3) Composition

- a) The Nominations Committee consists of Chair, CEO, and the senior member of staff from the committee the nominee is nominated to join. If required, a professional expert may be asked to attend the meeting.
- b) The Chair of the Nominations Committee is the Chair of IAB.
- c) Committee members must declare any conflict of interest and where necessary recuse themselves.

4) Functions

The roles and responsibilities of the Nominations Committee are to:

- a) Taking account of the Articles of Association and the need to ensure an appropriate balance of

skills, qualifications, experience and diversity of perspective on the Board and its committees, to determine objective selection criteria for Board and committee roles and to review and evaluate the nominees for Board and committee membership through interview.

- b) Recommend and put forward the best nominee for the position.
- c) Evaluate the contribution of individual Board members and make recommendations to the Board on whether such Board members due to stand for re-election at the Institute's AGM should be proposed to members for re-election.

5) Powers

In all matters, the role of the Nominations will be advisory unless the IAB Board makes a specific delegation of power.

6) Reporting

The IAB Board will receive a report from the Chair and recommend any changes to the procedure.

APPENDIX 5

TERMS OF REFERENCE FOR ADJUDICATION PANEL

1) Purpose

- a) The IAB Board has ultimate responsibility and holds the right to take action to address problems affecting membership as outlined in the Byelaws and for the imposition of sanctions and penalties as outlined in the Byelaws.
- b) The IAB Board has delegated its powers of disciplinary action in cases that fall within Byelaws Section 14 (a) items (iii) (vi) (vii) (viii) and (ix) to the Adjudication Panel.
- c) The Adjudication Panel will be constituted by the IAB Board as and when required to examine and adjudicate complaints or allegations of all kinds arising under the Byelaws; where necessary imposing sanctions or penalties as described in the Byelaws.

2) General Regulation

- a) The Adjudication Panel will be constituted where there is prima facie evidence in respect of any complaint or allegation which falls within its delegated authority for consideration as set out in the Byelaws (Section 14(a) items i to x).
- b) The panel quorum will be three.
- c) The Adjudication Panel Chair(s) will be recommended by the Nominations Committee, in consultation with the PSC, and appointed by the Board.
- d) The Chair will, in consultation with the CEO, nominate a member of the IAB staff to provide administrative support and to facilitate communication between the Committee and IAB.
- e) Any Person subject of a complaint or allegation being considered by the Panel will be invited to attend those proceedings, at their own cost, and is entitled to be accompanied by one other person in addition to a legal representative.
- f) In respect of any persons attending, the Chair will have complete discretion to adjust or vary these arrangements, as necessary to ensure the effective and appropriate discharge of the Adjudication Panel functions.

- g) IAB will make a record of Adjudication Panel proceedings. Unless with the express permission of the Chair; no other recording or transmission of sounds or images connected with the Adjudication Panel will be allowed.

3) Composition

- a) The Adjudication Panel will consist of a chair and between two and four members appointed by the chair for their professional expertise and experience in the regulation of standards within organisations.
- b) Panel members will be drawn from appropriate professional association backgrounds and will also have relevant knowledge of regulations and legislation with relevance to IAB and its members.
- c) No person will be eligible to serve as a member of the Adjudication Panel in relation to any particular case if that person has any material interest in the matter under consideration either personally or through a concern in any undertaking.
- d) Panel members must declare any conflict of interest and where necessary recuse themselves.

4) Functions

- a) The function of the Adjudication Panel will be to hear, examine and adjudicate those complaints or allegations falling within its remit and in accordance with the powers delegated by the IAB Board.
- b) In fulfilling its role, the panel will consider evidence presented in written or other forms. At the discretion of the chair, it may hear evidence in person or via shared telephony or video conferencing technology.
- c) Where the Panel finds a complaint or allegation upheld, the Panel will decide on the appropriate disciplinary sanctions or penalties as set out in the Byelaws.

5) Powers

A duly convened meeting of the Panel, which is quorate, will be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by, the Panel.

6) Reporting

- a) The IAB Board will receive a report from the Chair of the PSC on Adjudication Panel issues of note.
- b) The IAB Board has the right to request a report on the function and general conduct of proceedings of the Adjudication Panel.
- c) The Adjudication Panel will review its effectiveness; these terms of reference and its composition annually, providing appropriate reports to the IAB Board.

TERMS OF REFERENCE FOR APPEALS PANEL**1) Purpose**

- a) The IAB Board has ultimate responsibility for standards of professional conduct and competency including the award of IAB qualifications and for action taken to address problems affecting membership outlined in the Byelaws.
- b) The Appeals Panel will be constituted by the IAB Board as and when required to examine and adjudicate appeals lodged which fall within the grounds set out in the Byelaws (below) and which arise from:
 - Any finding of the Adjudication Panel that a complaint or allegation is upheld.
 - Any decision of the Adjudication Panel or MLRO that a sanction or penalty should be imposed or the scale of any such sanction or penalty.
 - Any declined IAB membership application.
 - Any withheld competency award or qualification.
 - The grading outcome of inspections and assessments conducted by or on behalf of IAB in respect of compliance with anti-money laundering regulations or other relevant legislation.

2) Grounds for Appeal

- a) Appeals will be considered where there is prima facie evidence indicating that one or more of the following grounds are met:
 - There was bias, prejudice or discrimination as defined by the Equality Act 2010
 - There was a substantial procedural irregularity in the conduct of the proceedings involved and/or the determination of the outcome being decided.
 - There was an administrative error which has significantly affected the determination of the outcome being decided.
- b) A pre-appeal review will be conducted by the Compliance department and is sanctioned by a director.
- c) Where, in the view of the Appeals Panel Chair, the appeal does not fall within any of these grounds and unless there are exceptional circumstances which the Chair believes should properly be taken into account; the Panel will reject the appeal.

3) General Regulation

- a) Any appeal must be submitted personally. Appeals received from third parties even if associated with the appellant cannot be accepted.
- b) Appeals must be lodged within a 14-day period following the decision in question using the IAB electronic inspection appeals form. Appeals received by email, post, phone or any other medium or after 14 days will not be accepted.
- c) The deadline for completion of any non-financial time specific order made by the Adjudication Panel will be paused from the point of receipt of an appeal. Time specific orders will resume at the point that either a pre-appeal hearing rejects the grounds for appeal, or an Appeal Panel makes a

finding. This will not impact any obligation on the member to comply with any legal or regulatory requirement, or any fine or cost payment deadline issued by either the MLRO or Adjudication Panel.

- d) Where necessary, at the discretion of the chair, a meeting may be adjourned whilst specific investigation, as directed by the chair, is carried out.
- e) The Chair is responsible for decisions during the appeal process and will determine the exact procedure for each hearing.
- f) The Chair will, in consultation with the CEO, nominate a member of the IAB staff to provide administrative support and to facilitate communication between the Panel and IAB.
- g) Appeals Panel meetings will normally be closed; except at the discretion of the chair, no observers will be admitted.
- h) Appeals Panel meetings may be 'virtual' and the panel, including the appellant; may interact using conferencing or similar technology.
- i) IAB will make a record of Appeals Panel proceedings. Unless with the express permission of the Chair; no other recording or transmission of sounds or images connected with the Panel will be allowed.
- j) Appeals in respect of Inspections and Assessments in connection with Anti Money Laundering regulations will also be in accordance with the procedures set out in the Byelaws (Schedule 2 Professional Standards Inspection and Assessment Appeals Procedure).

4) Composition

- a) The Appeal Panel will consist of a chair and between two and four committee members appointed by the Chair for their professional expertise and experience.
- b) Panel members will be drawn from appropriate professional association backgrounds and will also have knowledge of regulations and legislation with relevance to IAB.
- c) No person will be eligible to serve as a member of the Appeals Panel in relation to any particular case, if that person has any material interest in the matter under consideration either personally, through a concern in any undertaking, or if that person was concerned with any proceedings or decisions subject of the appeal.
- d) Panel members must declare any conflict of interest and where necessary recuse themselves.

5) Powers

- a) A duly convened meeting of the Panel, which is quorate, will be competent to exercise all or any of the authorities, powers and discretions vested in; or exercisable by, the Panel.
- b) Determinations made by the Appeals Panel are final.

6) Reporting

- a) The IAB Board will receive a report from the Chair of the PSC on Appeals Panel issues of note.
- b) The IAB Board has the right to request a report on the function and general conduct of proceedings of the Appeals Panel.

- c) The Appeals Panel will review its effectiveness, these terms of reference and its composition annually, providing appropriate reports to the IAB Board.

SCHEDULE 2

ANTI MONEY LAUNDERING – REGULATION OF PROFESSIONAL FINANCIAL SERVICES

1) Regulation of Professional Financial Services

- a) The Institute has been granted Supervisory Status under the Anti Money Laundering (AML) legislation. Persons offering professional financial services to the public in the United Kingdom and firms are required to apply for an appropriate certification.
- b) Subject also to consideration of the types of services being offered and the business structure IAB may issue a 'Certificate of AML Supervision' to a firm or sole trader in respect of the professional financial services offered to the public. Provided that:
- The services are being offered by a subscribed IAB 'Member' or 'Fellow'.
 - OR: the services are being offered by a business entity managed or controlled by a subscribed IAB 'Member or 'Fellow.'
 - AND: The relevant 'Member' or 'Fellow' is the person responsible for compliance with anti-money laundering regulations and holds current 'IAB UK' Membership Type.
 - AND: The relevant 'Member' or 'Fellow' or business entity and its day-to-day management are located within England, Wales, Scotland or Northern Ireland.
- c) The 'Certificate of AML Supervision' will specify the single service provider to which it relates. Certificates are not transferable, and supervision is consequently limited to the firm or sole trader and trading name named during the currency of IAB membership.
- d) Both the business and the responsible IAB Member must demonstrate compliance with the Institute's Framework for Regulation and Code of Best Practice as determined by the Board.
- e) Where an IAB member holds any controlling interest in a business offering professional financial services to the public, which is not supervised by IAB; the member must demonstrate that the business is supervised by another appropriate.
- f) No charge will be made for the issue of a Waiver for AML Supervision

2) Registration

Members applying for certification must:

- a) Be a fully paid-up 'Member' or 'Fellow' of the Institute holding IAB UK membership. (Registration is not available to IAB Associate grade members or members and their businesses operating from the Channel Islands or Isle of Man).
- b) Implement and maintain procedures to a professional standard in accordance with the IAB's Framework for Regulation and Code of Best Practice as determined by the Board.
- c) Comply with the CPD requirements of the IAB as determined and made public by Board.
- d) In relation to all beneficial owners, officers and managers provide evidence of absence of a criminal record by approved method. A current 'basic certificate' obtained from H.M. Government

- e) Submit an application in the prescribed form and pay an annual fee as determined by the Board. The application must disclose areas of competence and indicate the services that the member or the business offers or intends to offer.
- f) Provide such details as may be required by IAB about the clients served by the member or the business.
- g) Ensure that upon application Professional Indemnity cover is in place at a level deemed adequate by the IAB.

3) Supervision

Members must agree to comply with the requirements for supervision in line with the Money Laundering Regulations 2017 (the 'MLRs'), subsequent amendments to the MLRs, and to such other additional requirement as the Board may agree and publish.

1. In particular, members will, on request, provide such evidence as may reasonably be required of their:
 - Identity (current and past), including but not limited to their full name and usual residential address.
2. Compliance with the Anti Money Laundering Regulations and/or the Institute's Byelaws and Regulation of members the requirements for Monitoring and Supervision are subject to changes in legislation which may be notified by email.

The following will remain the basis of the supervisory system.

3. A refusal to engage with any Compliance Department enquiry will be considered a breach of Byelaw 14) a) vi).
4. The requirements of monitoring and Supervision are subject to changes in legislation which may be notified by email. The Institute will complete compliance reviews of members practice ensuring understanding and compliance with the Money Laundering Regulations 2017 or in relation to any improvement actions that may have been required.
5. Such reviews may be formal or informal, and be undertaken by various means including onsite visits, video conferencing, email or telephone contact. Such reviews are not limited to, but may encompass:
 - 'Desktop reviews', reviewing documents submitted during the application process, publicly accessible government information, material published online, or other sources providing relevant anti-money laundering information.
 - 'Inspections' where a designated assessor will conduct interviews and examine documents to test compliance with AML Regulations; usually lasting half a day.
 - 'Audits' where a designated assessor will examine a specific issue or particular documentation in more detail.
 - 'Re-Inspections' where a designated assessor will conduct interviews or examine documents to confirm completion of improvement actions arising from a previous supervisory review.
6. The Compliance Department of the Institute will instigate arrangements for these reviews. For

formal reviews, members will usually receive notice prior to contact by the designated assessor.

7. Reviews will test the compliance of the practice with specific elements of the MLRs and/or wider IAB professional standards requirements.
 - The Compliance Department may conduct reviews which do not result in formal action or reporting to the reviewed member.
 - Where necessary following review, the IAB may require members to undertake improvement actions to restore or improve compliance.
 - In some more serious circumstances, IAB may also need to impose disciplinary sanctions resulting in penalties whereas in other cases the inspection may provide an opportunity for advisory actions intended to improve members' business approach.

4) **Appeals**

- a) Formal review findings are open to appeal by the member, providing all of the below appeal conditions are met:
 - IAB must receive any appeal within 14 days following the publication of the assessment decision via the electronic inspection appeals form.
 - The member is not in arrears with their supervision or membership renewal.
 - Where the member believes there is evidence to substantiate at least one of the following 'grounds for appeal'. The appeal must state which ground(s) are being relied upon and provide supporting evidence. Grounds for appeal are:
 - There was bias, prejudice or discrimination as defined by the Equality Act 2010
 - There was a substantial procedural irregularity in the conduct of the inspection and/or the determination of results.
 - There was an administrative error which has impacted the grading or imposition of a sanction.
- b) An appeal may not be made solely against a requirement for improvement actions relating to compliance with anti-money laundering regulations or the time specified by IAB to implement such a requirement.
- c) The outcome of the appeal will be decided by a formally constituted appeals panel, following the process outlined in Appendix 6 (Appeals Panel)
- d) The decision of the appeals panel will be final.

5) **Disciplinary**

- a) To ensure that the Institute complies with its requirements as a Supervisory Body, the failure by a member to comply with any supervisory or professional standards process will be considered a disciplinary matter and may be subject of penalties imposed by the MLRO or referred to the IAB Adjudication Panel.
- b) The withdrawal of a 'Certificate of AML Supervision' by IAB will affect the eligibility of a member to

- c) Further details of the Institute's disciplinary processes are shown in Byelaw 14, Disciplinary Action.