

CAYMAN ISLANDS

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THE PUBLIC ACCOUNTANTS LAW, 2004

(LAW 1 OF 2004)

proceedings and order a new hearing or to make such order in the matter as it may think just; and may, by such order, exercise any power which the Disciplinary Tribunal or the Council of the Society could have exercised; and any such order shall have the same effect and may be enforced in the same manner as if it had been made by the Disciplinary Tribunal or the Council of the Society.

(2) In the exercise of its appellate jurisdiction the Grand Court may amend any defect in form in any part of the proceedings, or may allow any party to amend or correct any defect or irregularity upon such terms as to the Judge seems just; and no proceeding shall be set aside for defect of form or similar irregularity where it appears that the party called upon to answer had due notice of the substance of the hearing or the appeal, and that no miscarriage of justice has thereby been caused.

(3) The Judge shall endorse upon the record of the hearing of the appeal the decision of the Grand Court including any order as to costs and the Chief Clerk shall, on the application of any party entitled, certify the costs payable, in respect of the proceedings to which the appeal relates and issue all necessary warrants for the recovery of the whole by distress or otherwise, and the same may be enforced in the same manner as any judgment of the court in the exercise of its civil jurisdiction.

8. The costs payable by any party at any stage of, or in respect of any matter arising out of, any issue in relation to which an appeal is made, shall be in the discretion of the Grand Court.

Costs in appeals

Passed by the Legislative Assembly the 10th day of March, 2004.

LINFORD A. PIERSON

Speaker.

WENDY LAUER EBANKS

Clerk of the Legislative Assembly.

into a recognizance, in such sum, not exceeding one thousand dollars in respect of the costs of the appeal, as the court shall direct, for the due prosecution of the appeal and the compliance by the appellant with all judgments, orders or other decisions of the Grand Court in the matter, and, if the appeal is not allowed the payment of any costs of the proceedings in the appeal, if the Grand Court shall so direct:

Provided that in any case the Judge may grant an extension of either period for any sufficient reason and subject to any conditions which seem to him to be fit.

(2) If the appellant fails to serve notice and grounds of appeal and to enter into a recognisance in accordance with subsection (1), his right of appeal shall cease and determine and the Society shall be at liberty forthwith to enforce the same according to law.

4. Subject to the provisions of section 24(2) of the Law, the giving of notice of appeal in accordance with this Law shall not have the effect of suspending the decision appealed from pending the determination of the appeal, unless the Judge, upon application made, shall so direct; but upon application made by either party, after notice of appeal has been given, the Judge may make such order as he deems fit as to which any question arises therein.

5. The Secretary of the Society shall supply to an appellant applying for the same a certified copy of the evidence taken, proceedings had and decision made in the matter to which the appeal relates, and shall make up, certify and transmit to the Grand Court not later than fourteen days from receipt of the written notice of appeal or such further time as may be allowed by the Judge, the original or copies of all original documents, a copy of the evidence taken, proceedings had and the decision made.

6. (1) The Chief Clerk may list for hearing, at the next ensuing sitting or adjourned sitting of the Grand Court, every appeal in which the grounds of appeal have been lodged seven clear days before such sitting or adjourned sitting.

(2) The practice and procedure in relation to the hearing of appeals by the Grand Court, and for the enforcement of the decision upon any such appeals, shall be as prescribed by the Grand Court Law (1995 Revision) but in any circumstances in which no provision is made for some matter or any difficulty shall arise the Judge may give directions as to the procedure to be followed.

7. (1) The Grand Court shall have power upon the hearing of any appeal to confirm, reverse, vary or modify the decision against which the appeal is made or to return any matter to the Disciplinary Tribunal or the Council of the Society, with the opinion and directions of the Grand Court thereon, or to set aside the

THE PUBLIC ACCOUNTANTS LAW, 2004

ARRANGEMENT OF SECTIONS

PART I - PRELIMINARY

1. Short title and commencement.
2. Interpretation.

PART II - THE CAYMAN ISLANDS SOCIETY OF PROFESSIONAL ACCOUNTANTS

3. Establishment of the Cayman Islands Society of Professional Accountants.
4. Seal of the Society.
5. The Council.
6. The Society's funds.
7. The Society's accounts.

PART III - REGISTRATION AND LICENSING

8. The Registrar and the register.
9. Registration of members.
10. Qualification for registration as student.
11. Licensing of Caymanian status holders and permanent residents.
12. Licensing of work permit holders.
13. Practising without a licence to be an offence.
14. Miscellaneous provisions relating to licences.
15. Notification of results of applications.
16. List of licence holders to be published.

PART IV - DISCIPLINE

17. Investigation Committee.
18. Professional misconduct.
19. Complaints.

Appeal not to have effect if suspending decision

Certified copies of proceedings to be available to appellant and to be sent to the Grand Court

Listing down appeal for hearing and procedure thereupon

1995 Revision)

Powers of the Grand Court upon hearing the appeal

1995 Revision)

- 20. Investigation of professional misconduct.
- 21. Disciplinary and other orders.
- 22. Orders to be registered.
- 23. Immediate implementation of orders.
- 24. Amendment of register on order.
- 25. Certificate or licence to be returned.
- 26. Restoration of name to the register.
- 27. Appeals against decisions.

PART V - MISCELLANEOUS

- 28. Application of the Trade and Business Licensing Law (2003 Revision).
- 29. Compliance with the Proceeds of Criminal Conduct Law (2001 Revision).
- 30. Regulations.
- 31. Offences in relation to licences and registration.
- 32. Immunity.
- 33. Transitional provisions.
- Schedule 1 - Objects of the Society
- Schedule 2 - Approved Institutes
- Schedule 3 – Provisions relating to Appeals against Decisions of the Disciplinary Tribunal or the Council

SCHEDULE 3

(Section 27)

PROVISIONS RELATING TO APPEALS AGAINST DECISIONS OF THE DISCIPLINARY TRIBUNAL OR THE COUNCIL

- 1. (1) An appeal shall lie to the Grand Court -
 - (a) from a refusal by the Council of the Cayman Islands Society of Professional Accountants (in this Law referred to as “the Society”) to grant an application for registration made under section 9 or 10 of the Public Accountants Law, 2004 (in this Schedule referred to as “the Law”);
 - (b) from a refusal by the Council of the Society to grant an application for a licence or for the renewal of a licence, made under section 11, 12 or 14 of the Law; or
 - (c) from an order of the Disciplinary Tribunal or the Council of the Society made under section 21 or 23 of the Law.
- (2) No appeal shall lie, except by special leave of the Grand Court, from any of the following orders or decisions -
 - (a) one made by consent;
 - (b) one as to costs only; or
 - (c) one made by default for want of appearance or otherwise.
- (3) The party seeking special leave under subsection (2) shall make oath in writing setting forth his grounds of appeal and, where applicable, the reasons why he did not appear at the hearing, and that such appeal involves a matter of substantial justice.
- 2. The Disciplinary Tribunal or the Council of the Society, upon making any decision from which an appeal lies under the Law shall inform any party, who is present at a hearing and who is not represented by a legal practitioner, of his right of appeal, and a note shall be made in the minutes of the meeting of the Disciplinary Tribunal or the Council of the Society that such information has been given. In any such case the Secretary of the Society shall, whenever required, furnish such intending appellant with the necessary form of notice and recognisance of appeal and explain to him the procedure to be followed.
- 3. (1) An appellant shall deliver a written notice of appeal, signed by the appellant or his legal representative, to the Chief Clerk and to the Secretary of the Society within three months after such decision is given; and within a further period of seven days after the first such period, shall deliver to the Chief Clerk and to the Secretary of the Society a statement in writing, signed by the appellant or his legal representative, setting forth the grounds of his appeal and shall enter

Civil appeals

Unrepresented person to be informed of right of appeal

Notice and grounds of appeal

- (c) promote and increase the knowledge, skill and proficiency of members and students in all things relating to the business or profession of accountants;
- (d) promote, foster and maintain the highest standards of accounting in public practice and commercial and private sector spheres;
- (e) safeguard and enhance the professional standing, interest and reputation of accountants who are members thereof;
- (f) maintain the highest standards of professional etiquette and ethics among its members and encourage the observance of such standards among non-members;
- (g) provide opportunities for discussion and exchange of views among its members, and students, whether or not they are engaged in actual practice;
- (h) encourage and assist in providing increased facilities for the study of accountancy and related subjects and co-operate with bodies that are in pursuit of those objects;
- (i) assist members, past members, and students and the dependants of such persons who are in need;
- (j) associate with any regional or international body having objects similar to those of the Society to further the interests of the profession; and
- (k) do anything that is necessary or incidental to the carrying out of the objects specified in paragraphs (a) to (j).

SCHEDULE 2 (Sections 2 and 9(5))

APPROVED INSTITUTES

The Institute of Chartered Accountants in England and Wales
 The Institute of Chartered Accountants in Ireland
 The Institute of Chartered Accountants of Scotland
 The Canadian Institute of Chartered Accountants
 The Association of Chartered Certified Accountants (ACCA)
 The American Institute of Certified Public Accountants
 Any other professional body or institute approved by the Council

CAYMAN ISLANDS

Law 1 of 2004.

I Assent

B. H. Dinwiddy

Governor.

21 April, 2004

A LAW TO REGULATE THE PRACTICE OF PUBLIC ACCOUNTANCY; AND FOR INCIDENTAL AND CONNECTED PURPOSES

ENACTED by the Legislature of the Cayman Islands

PART I - PRELIMINARY

1. (1) This Law may be cited as the Public Accountants Law, 2004. Short title and commencement
- (2) This Law shall come into force on such date as may be appointed by order made by the Governor and different dates may be appointed for different provisions of this Law.
2. (1) In this Law, unless the context otherwise requires - Interpretation
 - "approved institute" means an institute, society, association or other body specified in Schedule 2; Schedule 2
 - "Authority" means the Cayman Islands Monetary Authority established under section 5 of the Monetary Authority Law (2003 Revision); (2003 Revision)
 - "Caymanian status" means possession of the right to be a Caymanian as defined in section 20 of the Immigration Law, 2003; Law 34 of 2003
 - "Council" means the Council of the Society established under section 5;

“Disciplinary Tribunal” means the Disciplinary Tribunal established under section 21;

"firm of public accountants" means a firm or company of public accountants;

"former Society" means the Cayman Islands Society of Professional Accountants licensed on the 3rd day of November, 1970, under the provisions of the Companies Law 1960;

“Governor” means the Governor in Cabinet;

Law 34 of 2003

“Immigration Board” means one of the three Boards established under section 4 of the Immigration Law, 2003;

"Investigation Committee" means the Investigation Committee established under section 17;

"licence" means a licence to engage in public practice issued under section 11 or 12;

"member" means a member of the Society;

"membership certificate" means a certificate issued by the Council under section 9(1);

Law 34 of 2003

"permanent resident" means a person who has been granted the right to reside permanently in the Islands under section 28 of the Immigration Law, 2003, provided that the grant or right is still current and has not been revoked or lost in any way;

"public accountant" means a person engaged in public practice;

“public accounting services” means signing, affixing or associating one’s name or the name of the firm of public accountants of which one is a partner, director or the holder of an equivalent public position to any report or certificate expressing or disclosing an opinion on a financial statement based on an audit or examination of that financial statement or expressing assurance on a financial statement but shall not include -

- (a) bookkeeping or cost accounting;
- (b) installing bookkeeping, accounting, business or cost systems;
- (c) preparing trial balances, financial statements or reports provided that the person so preparing does not indicate or in any way imply

- (d) makes or causes to be made any falsification in the register or in any matter relating to the register,

is guilty of an offence and is liable on summary conviction to a fine of one thousand dollars or to imprisonment for a term of twelve months or to both.

Immunity

32. No member of the Council, of the Disciplinary Tribunal, of the Investigation Committee or of any other committee of the Society, shall have any liability of whatsoever nature and howsoever arising, whether directly or indirectly, out of anything done or omitted to be done in the discharge or purported discharge of his powers, duties or functions under this Law unless the act or omission was in bad faith.

Transitional provisions

33. (1) Where a complaint has been made to the Council before the date of the commencement of this section against a person who immediately before that date was a member of the former Society that complaint shall on and after that date, be dealt with, inquired into and determined in accordance with this Law.

(2) On the date of commencement of this section -

- (a) all property, rights and liabilities which immediately before that date were property, rights and liabilities of the former Society shall by virtue of this section vest in the Society and on or after that date any legal proceedings in respect of any such property, rights or liabilities may be commenced or continued by or against the Society as if they could have been commenced or continued by or against the former Society; and
- (b) the former Society shall cease to exist.

(3) Notwithstanding any provision of this Law a person who immediately before the date of the commencement of this section was practising in the Islands as an accountant may engage in public practice without holding a licence under this Law until the 31st day of December next following the date of commencement of this section.

SCHEDULE 1

(Section 5)

OBJECTS OF THE SOCIETY

The objects of the Society are to -

- (a) govern the discipline, and regulate the professional conduct of members and students;
- (b) promote and protect the welfare and interest of the Society and the accounting profession;

PART V - MISCELLANEOUS

Application of the Trade and Business Licensing Law (2003 Revision)

Compliance with the Proceeds of Criminal Conduct Law (2001 Revision)

Regulations

Offences in relation to licences and registration

28. Nothing in Part III derogates from the provisions of the Trade and Business Licensing Law (2003 Revision).

29. On or before 31 January in each year, every sole practitioner public accountant and firm of public accountants shall file with the Authority a certificate in the form prescribed by the Council stating that to the best of their knowledge and belief, the applicable requirements of the Proceeds of Criminal Conduct Law (2001 Revision) and any regulations made thereunder have been complied with, or to the extent that they have not been complied with, disclosing the nature and extent of non-compliance.

30. The Governor in consultation with the Council may make regulations for carrying into effect the purposes and provisions of this Law, and for-

- (a) prescribing the standards of professional conduct for members and students,
- (b) regulating the hearing and determination of complaints brought under this Law;
- (c) providing for the establishment and maintenance of classes, lectures, courses of study and systems of training and examination in accounting and for requirements relating to practical experience;
- (d) prescribing public practice requirements;
- (e) prescribing the time, manner and form of making any application, the information and evidence to be submitted in connection therewith, and the procedure to be followed in the consideration of applications;
- (f) prescribing fees, subscriptions or other sums payable to the Society by members or students; and
- (g) prescribing anything required by this Law to be prescribed.

31. A person who -

- (a) uses the licence of another person;
- (b) for the purpose of procuring or attempting to procure a licence for himself or for any other person, wilfully makes or procures or causes to be made or procured any untrue representation or declaration either oral or in writing;
- (c) for the purpose of procuring or attempting to procure registration as a member or student for himself or for any other person, wilfully makes or procures or causes to be made or procured any untrue representation or declaration either oral or in writing; or

that such trial balances, financial statements or reports have been prepared or examined by a sole practitioner public accountant or a firm of public accountants or that they represent the opinion or certificate of a sole practitioner public accountant or firm of public accountants;

- (d) reviewing accounts and accounting methods for the purposes of determining the efficiency of such methods provided that the person so reviewing does not indicate or in any way imply that such methods have been reviewed by a sole practitioner public accountant or a firm of public accountants; or
- (e) acting as an insolvency practitioner in relation to a company, an individual or a partnership and for this purpose a person acts as an insolvency practitioner by acting -
 - (i) in relation to a company, as its liquidator (including, without limitation, an official liquidator and a liquidator in a voluntary winding up), provisional liquidator, receiver, controller or in any capacity similar to any of the foregoing in circumstances where the company is or may become insolvent or unable to pay its debts as they fall due in the ordinary course of business or action is being or has been taken by the Authority in respect of the company; or
 - (ii) in relation to an individual or a partnership, as his or their trustee in bankruptcy, receiver of his or their property, controller, trustee in the sequestration of his or their estate, trustee under a deed of arrangement made for the benefit of his or their creditors, in the case of a deceased individual where the estate is insolvent, administrator of the estate or in any capacity similar to any of the foregoing in circumstances where the individual or partnership is or may become insolvent or unable to pay his or their debts as they fall due in the ordinary course of business or action is being or has been taken by the Authority in respect of the individual or partnership;

"public practice" means the performance of public accounting services for profit or reward,

"register" means the register under section 8;

"Registrar" means the Registrar of the Society appointed under section 8(1);

"Society" means the Cayman Islands Society of Professional Accountants established under section 3;

"student" means a student of the Society pursuant to section 10; and

Law 34 of 2003

"work permit" means a work permit granted under section 46 of the Immigration Law, 2003.

(2) The provisions of sections 9, 10, 11 and 12, as they apply to a person who –

- (a) possesses Caymanian status;
- (b) is a permanent resident; or
- (c) is the holder of a work permit,

shall, with the necessary changes being made, apply to the spouse of any such person.

PART II - THE CAYMAN ISLANDS SOCIETY OF PROFESSIONAL ACCOUNTANTS

Establishment of the Cayman Islands Society of Professional Accountants

3. (1) There shall be established a body to be known as the Cayman Islands Society of Professional Accountants.

(2) The Society shall be a body corporate and shall consist of all persons who immediately before the date of commencement of this section were members of the former Society, and of all persons who after that date, are registered and remain registered as members or students under the provisions of this Law.

Seal of the Society

4. The common seal of the Society shall be officially and judicially noticed.

The Council

5. (1) There shall be a Council of the Society appointed in accordance with the articles of association of the Society which shall be responsible for the management of the affairs of the Society.

Schedule 1

(2) The provisions of Schedule 1 shall have effect with respect to the objects of the Society and such objects shall be included in the Memorandum of Association of the Society.

Schedule 1

(3) The Governor, on the recommendation of the Council, may amend Schedule 1 by order in which event the Memorandum of Association of the Society shall be amended accordingly.

The Society's funds

6. (1) The funds of the Society shall consist of such moneys as may be lawfully paid to and received by the Society.

be removed from the register under section 21(4)(a) until the matter or any appeal in relation thereto, has been finally disposed of under this Law.

(3) Where the name of a person has been removed from the register a licence issued to him shall cease to be valid.

25. (1) Where the name of a person has been removed from the register or the licence of a person has been suspended or revoked, the Council may, by notice in writing served by post, require him to return to the Registrar his membership certificate or licence.

Certificate or licence to be returned

(2) A person who fails without reasonable excuse to return his membership certificate or licence within fourteen days of the date of a notice served under subsection (1) is guilty of an offence and is liable on summary conviction to a fine of five hundred dollars.

26. (1) The Council may, upon application in writing by a person whose name has been removed from the register or whose licence has been suspended or revoked, and where not contrary to the relevant order by the Disciplinary Tribunal, restore such person's name to the register, or restore his licence or cease his suspension, with effect from such date as the Council may appoint, and shall immediately give notice of any such determination to the Registrar.

Restoration of name to the register

(2) On receipt of notice of a determination made by the Council under subsection (1), the Registrar shall immediately restore the name of the person to the register, or enter on the register a note of the cessation of the suspension or the restoration of the licence, and shall publish notice of the Council's determination in the Gazette.

27. (1) A person aggrieved -

- (a) by the refusal of the Council of his application for registration as a member or for a licence; or
- (b) by an order by the Disciplinary Tribunal or the Council under section 21 in relation to a matter concerning him,

Appeals against decisions

may, within three months of the date of the decision, appeal against the decision to the Grand Court and the provisions of Schedule 3 shall apply in relation to every such appeal.

Schedule 3

(2) No further appeal shall lie from the decision of the Grand Court on an appeal made under this section.

- (c) subject to section 23(1), take effect -
 - (i) where no appeal under section 27 is brought against the order within the period allowed for the appeal, on the expiration of that period;
 - (ii) where an appeal is brought and is withdrawn or struck out for want of prosecution or for any other reason, on the withdrawal or striking out of the appeal; or
 - (iii) where such an appeal is brought and is not withdrawn or struck out as aforesaid, if and when the appeal is dismissed.

(2) An order when it takes effect shall be acted upon and be enforceable in the same manner as a judgement or order of a court of summary jurisdiction.

(3) Upon the taking effect of an order filed with him pursuant to subsection (1), the Registrar shall -

- (a) in the case of an order that does not provide for the removal of the name of a person from the register, cause a note to the effect of such order to be entered in the register against the name of the person to whom the order relates; and
- (b) in the case of an order providing either for the removal of the name of a person from the register or for the suspension or revocation of a licence, cause a notice stating the effect of the order to be published in the Gazette.

23. (1) If, on making an order under section 21(4)(b), the Disciplinary Tribunal is satisfied that it is necessary for the protection of members of the public, it may order that a licence be suspended or revoked forthwith.

(2) The Grand Court may revoke any order made under subsection (1) and the decision of the Court on any application under this subsection shall be final.

24. (1) The Registrar shall remove the name of a person registered under this Law from the register -

- (a) upon the application of the person registered;
- (b) if the person ceases to be a member in good standing of an approved institute;
- (c) upon the failure of the person to pay any prescribed annual fee within nine months after the date on which such fee becomes payable; or
- (d) upon the taking effect of an order of the Disciplinary Tribunal under section 21(4)(a) in relation to that person.

(2) Where a matter concerning a member is referred to the Investigation Committee or the Disciplinary Tribunal under section 19(2), his name shall not

(2) The Council shall manage, administer and keep proper accounts of the funds.

7. (1) The accounts of the Society shall be audited annually by a sole practitioner public accountant licensed under section 11 or 12 or by a firm of public accountants in which each partner, director or person holding an equivalent position engaged in public practice is licensed under section 11 or 12, appointed in each year in accordance with the Society's articles of association.

The Society's accounts

(2) A copy of the audited accounts shall be kept at the office of the Society and shall at all reasonable times be open to inspection by any member or student, or pursuant to authority under any other Law.

PART III - REGISTRATION AND LICENSING

8. (1) The Council shall appoint a Registrar.

The Registrar and the register

(2) The Registrar shall keep a register in which shall be entered -

- (a) the name of every person who at the date of commencement of this section was a member of the former Society;
- (b) the name of every person whose application for membership under section 9 has been approved by the Council;
- (c) the name of every person whose application for registration as a student under section 10 has been approved by the Council; and
- (d) the name of every person licensed under section 11 or 12.

(3) Each entry in the register shall contain the following particulars in relation to each person registered -

- (a) his business address;
- (b) the date on which his application was approved by the Council;
- (c) if he is licensed, the date on which the licence was issued;
- (d) notations in accordance with section 22(3) regarding any disciplinary order made; and
- (e) such other relevant particulars as the Council may specify.

(4) The register shall be kept at such place as the Council may from time to time determine and shall be open to inspection by the public at all reasonable times.

(5) The Registrar shall make such alterations to the particulars of persons registered as are notified to him and shall remove from the register the name of a registered person who is deceased or otherwise ceases to be a member or student, or who ceases to be licensed.

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order

(6) A registered person shall inform the Registrar in a timely manner of any change in his particulars under subsection (3)(a) and (e).

Registration of members

9. (1) A person who -

- (a) has attained the age of twenty-one years;
- (b) is qualified under subsection (2) or (3) to be registered as a member; and
- (c) satisfies the Council that he is of good character,

is entitled, upon approval by the Council of his application made in the prescribed manner, and upon payment of the prescribed fee, to be registered as a member and upon registration shall receive from the Council, a certificate of membership.

(2) Subject to subsection (3), a person is qualified to be registered and to remain registered as a member if -

- (a) (i) he is a member in good standing of an approved institute or has satisfied the academic and professional requirements for admission to membership of an approved institute; or
- (ii) he has passed such examinations as may be prescribed; and
- (iii) he satisfies such other requirements as may be prescribed; and either
- (b) he holds Caymanian status; or
- (c) he is a permanent resident and -
 - (i) has been granted permission under section 46 of the Immigration Law, 2003, to engage in the gainful occupation of accountancy;
 - (ii) falls within a class of persons prescribed under section 38(1)(e) of the Immigration Law, 2003;
 - (iii) holds a work permit; or
 - (iv) is permitted to engage in the gainful occupation of accountancy in accordance with the policies, rules or regulations of one of the three Immigration Boards, pending grant or renewal of a work permit; or
- (d) he neither holds Caymanian status nor is a permanent resident and -
 - (i) he holds a work permit; or
 - (ii) he is permitted to engage in the gainful occupation of accountancy in accordance with the policies, rules or regulations of one of the three Immigration Boards, pending grant or renewal of a work permit.

(3) A person who is or was a member of the Society or former Society but who does not fall within or ceases to fall within the qualifications for membership set out in subsection (2)(c) or (d) is entitled, upon approval by the Council of an

20. The Investigation Committee shall investigate each matter referred to it in such manner as may be prescribed and shall make recommendations to the Council concerning each matter and the Council, acting on such recommendations, shall either -

Investigation of professional misconduct

- (a) dismiss the matter; or
- (b) refer the matter to both the Disciplinary Tribunal and to the person's approved institute for its action.

21. (1) The Society shall establish a Disciplinary Tribunal to deal with disciplinary matters of the Society.

Disciplinary and other orders

(2) The appointees to the Disciplinary Tribunal shall be appointed by the Council ad hoc and shall consist of not less than two members of the Council together with not less than three other appointees who shall not be members of the Society.

(3) The Governor in consultation with the Council may make regulations with regard to the conduct of proceedings by the Disciplinary Tribunal and such other matters relating to the Disciplinary Tribunal as he may deem necessary.

(4) If in relation to a matter referred to the Disciplinary Tribunal, the Disciplinary Tribunal is satisfied that an order of a disciplinary nature should be made, the Disciplinary Tribunal may make any one or more of the following orders -

- (a) order the removal of the name of the member from the register;
- (b) where the member has been issued with a licence, order -
 - (i) the suspension of the licence for a specified period not exceeding one year; or
 - (ii) the revocation of the licence;
- (c) order such other disciplinary action as the Disciplinary Tribunal shall determine.

(5) Where the Council is satisfied, by a certificate of a registered medical practitioner, that a holder of a licence is suffering from an illness or injury which renders him unfit satisfactorily to perform his duties as a public accountant, the Council may by order suspend his licence for such period as the Council shall determine.

22. (1) An order made by the Disciplinary Tribunal or the Council under section 21 shall -

Orders to be registered

- (a) be signed by the Chairman of the Disciplinary Tribunal or the Council, as the case may be;
- (b) be filed immediately with the Registrar; and

PART IV - DISCIPLINE

- Investigation Committee 17. (1) There shall be a committee of the Society known as the Investigation Committee.
- (2) The Investigation Committee shall consist of a chairman who shall be a member of the Council and not more than seven other appointees.
- (3) The Council shall appoint persons to serve as the Investigation Committee, and all appointees shall have, as a minimum, five years' membership of the Society, or five years' membership of the former Society, or five years' membership of the Society and the former Society in the aggregate.
- (4) Subject to the prior approval of the Council, the Investigation Committee shall have the power to delegate such functions as it deems necessary.
- Professional misconduct 18. The provisions of section 19 shall apply where the Council is of the opinion that, or a complaint is made to the Council alleging that, a person registered under this Law -
- (a) is guilty of misconduct, dishonesty, or incompetence in the performance of his professional duties;
 - (b) has breached the standards of professional conduct of an approved institute of which he is a member;
 - (c) for the purpose of procuring his registration as a member or student, or of obtaining a licence, has made any statement which to his knowledge is false in any material particular or has made any other misleading or fraudulent representation;
 - (d) has been convicted in a court of the Islands or elsewhere of a criminal offence which renders him unfit to be a member, student or licensee; or
 - (e) has brought the Society into disrepute.
- Complaints 19. (1) A complaint under section 18 against a person registered under this Law shall be made to the Council in writing and shall bear the date of the complaint and the signature of the complainant.
- (2) Unless the Council is of the opinion that a complaint made in accordance with subsection (1) is frivolous or vexatious, it shall refer the matter to the Investigation Committee or to the Disciplinary Tribunal.
- (3) Where the Council is of the opinion that a person registered under this Law falls within any of paragraphs (a) to (e) of section 18, it shall refer the matter to the Investigation Committee.

application made in the prescribed form and upon payment of the prescribed fee, to be registered as an associate member and upon registration shall receive from the Council a certificate of associate membership.

(4) Every person registered under section 8(2)(a) shall be deemed to have been registered as a member as from the date of commencement of this section and any certificate of that person's membership of the former Society shall be deemed to be a membership certificate.

(5) The Governor, on the recommendation of the Council, may amend Schedule 2 by order.

Schedule 2

10. A person who possesses Caymanian status or is a permanent resident and who wishes to pursue courses of instruction and systems of training in accounting that may be prescribed shall -

Qualification for registration as student

- (a) apply to the Council for registration as a student in such manner as may be prescribed; and
- (b) furnish to the Council such evidence as the Council may require that he -
 - (i) is of good character; and
 - (ii) has attained the prescribed standard of education.

11. The Council shall, on application in the prescribed form and on payment of the prescribed fee, issue a licence to engage in public practice from or within the Islands to any person being a holder of Caymanian status or a permanent resident, who -

Licensing of Caymanian status holders and permanent residents

- (a) is registered as a member under section 8(2)(a) or (b);
- (b) is or seeks to be a sole practitioner public accountant or a partner, director or person holding an equivalent position in a firm of public accountants; and
- (c) satisfies such other requirements relating to fitness and propriety as may be prescribed.

12. The Council may, on application in the prescribed form and payment of the prescribed fee, issue a licence to engage in public practice from or within the Islands to a person not holding Caymanian status or not being a permanent resident, who -

Licensing of work permit holders

- (a) is registered as a member under section 8(2)(a) or (b);
- (b) is or seeks to be a sole practitioner public accountant or a partner, director or person holding an equivalent position in a firm of public accountants;
- (c) holds a work permit; and

Practising without a licence to be an offence

(d) satisfies such other requirements relating to fitness and propriety as may be prescribed.

13. (1) Subject to subsection (5) and section 33(3), no person shall hold himself out as a public accountant or engage in public practice, either as a partner, director or person holding an equivalent position in a firm of public accountants or as a sole practitioner, from or within the Islands unless he is the holder of a valid licence issued under section 11 or 12.

(2) Subject to section 33(3), no firm or company shall hold itself out as a firm of public accountants or engage in public practice, unless each partner, director or person holding an equivalent position engaged in public practice in such firm or company is the holder of a valid licence issued under section 11 or 12.

(3) Any person who contravenes subsection (1) or (2) is guilty of an offence and liable on summary conviction -

- (a) where such person is registered as a member, to a fine of five hundred dollars; or
- (b) in any other case, to a fine of two thousand dollars or to imprisonment for a term of twelve months or to both.

(4) Where a person is convicted under subsection (3) and the offence is continued after conviction he shall be guilty of a further offence and liable on summary conviction to a fine of one hundred dollars for each day on which the offence is continued.

(5) Where an offence under this section which has been committed by a firm or company is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the firm or company, or any person who was purporting to act in any such capacity, he as well as the firm or company is guilty of that offence and liable to be proceeded against and punished accordingly.

(6) Where the affairs of a firm or company are managed by its members, subsection (5) shall apply in relation to the acts and defaults of a member of the firm or company in connection with his functions of management as if he were a director of the firm or company.

(7) This section shall not apply to public officers acting in their capacity as such.

14. (1) A licence or a renewed licence shall take effect on the date specified therein and, subject to the provisions of this Law, shall expire on the 31st day of December next following that date.

Miscellaneous provisions relating to licences

(2) A licence -

- (a) granted under section 11 shall be renewed by the Council; or
- (b) granted under section 12 may be renewed by the Council,

upon application in the prescribed form, payment of the prescribed fee and satisfaction by the holder thereof of such requirements as may be prescribed.

(3) An application for the renewal of a licence, accompanied by the prescribed fee, shall be submitted not later than the 31st day of January in the year in respect of which the application is made.

(4) A person who fails to comply with subsection (3) and whose licence expires on the 31st day of December of the immediately preceding year shall not be considered to be unlicensed for the purposes of this Law during the period commencing with that date and ending on the 31st day of January of the succeeding year.

(5) Where a licence has been lost, destroyed or mutilated, it may be replaced by the Council by the issue of a copy thereof upon the application in writing of the holder of the licence and on the payment of the prescribed fee.

15. (1) Where the Council refuses an application made under section 9, 10, 11, 12, or 14, it shall within ten days from the date of such refusal give to the applicant written notice of the decision and of the reasons for it.

Notification of results of applications

(2) The applicant may appeal a refusal under the provisions of section 27.

16. (1) The Registrar shall publish by notice in the Gazette -

List of licence holders to be published

- (a) in the month of February in each year an alphabetical list of persons who at the 1st February in that year were the holders of a licence; and
- (b) as soon as practicable after the grant of a licence at any other time, the name of the licensee.

(2) A copy of the Gazette containing the list referred to in subsection (1)(a) or the names published pursuant to subsection (1)(b) is evidence of the facts stated therein.