

THE FINANCIAL REPORTING COUNCIL LIMITED

**THE INSTITUTE OF CHARTERED ACCOUNTANTS
IN ENGLAND AND WALES**

**THE COMMERCE AND EMPLOYMENT DEPARTMENT
OF THE STATES OF GUERNSEY**

THE JERSEY FINANCIAL SERVICES COMMISSION

**THE FINANCIAL SUPERVISION COMMISSION
OF THE ISLE OF MAN**

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING IS BETWEEN

- (1) **THE FINANCIAL REPORTING COUNCIL LIMITED (“the FRC”),**
 - (2) **THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES (“the ICAEW”),**
 - (3) **THE COMMERCE AND EMPLOYMENT DEPARTMENT OF THE STATES OF GUERNSEY (“the Department”),**
 - (4) **THE JERSEY FINANCIAL SERVICES COMMISSION (“the JFSC”),**
and
 - (5) **THE FINANCIAL SUPERVISION COMMISSION OF THE ISLE OF MAN (“the IOM FSC”)**
- (together, “the Parties”)**

Definitions

1. In this Memorandum of Understanding (“MOU”) the following terms have the following meanings:
 - “the Accountancy Scheme”** means the Financial Reporting Council’s Accountancy Scheme;
 - “the ARC”** means the Crown Dependencies’ Audit Registration Committee of the ICAEW;
 - “the CJL 1991”** means the Companies (Jersey) Law 1991 as amended from time to time;
 - “the CGL 2008”** means the Companies (Guernsey) Law 2008 as amended from time to time;
 - “the Companies Act”** means the Companies Act 2006 (UK) as amended from time to time;
 - “the Crown Dependencies”** means the Island of Guernsey, the Island of Jersey and the Isle of Man;

“the Crown Dependencies’ Audit Rules” means Audit Rules applicable to Recognised Auditors issued by the ICAEW and approved by the Relevant Authorities in the Crown Dependencies, from time to time;

“the Department” means the States of Guernsey Commerce and Employment Department and, for the purposes of this MOU, includes the Guernsey Registrar of Companies;

“the Directive” means the Statutory Audit Directive of the European Union bearing number 2006/43/EC;

“the FRC” means The Financial Reporting Council Limited, a company limited by guarantee and registered in England under company number 2486368;

“the ICAEW” means the Institute of Chartered Accountants in England and Wales, a Recognised Supervisory Body under the Companies Act 2006 (UK);

“the IOM Companies Acts” means the Isle of Man Companies Act 1982 and the Isle of Man Companies Act 2006 as amended from time to time;

“the IOM FSC” means the Financial Supervision Commission of the Isle of Man;

“the JFSC” means the Jersey Financial Services Commission;

“the Law” means

- in Guernsey, the Companies (Guernsey) Law, 2008;
- in Jersey, the Companies (Jersey) Law, 1991; and
- in the Isle of Man, the Companies Act 1982 and Companies Act 2006 of Tynwald;

“market traded company” has the same meaning as that contained in the Law;

“Monitoring Unit” means each of the ICAEW and the FRC when acting in the capacity of a monitoring unit as defined in the Crown Dependencies’ Audit Rules;

“the Parties” means the parties to this MOU namely: the FRC, the ICAEW, the Department, the JFSC and the IOM FSC;

“Recognised Auditor” means an auditor registered as a recognised auditor (‘recognized’ auditor in Jersey) under the Law in the Crown Dependencies to undertake the audit of market traded companies;

“the Recognised Auditor Sanctions Procedure” has the same meaning as that contained in the Crown Dependencies’ Audit Rules;

“the Register of Recognised Auditors” means the Register maintained by the Relevant Authority in each Crown Dependency;

“the Relevant Authorities” means, together,

- in Guernsey, the Department;
- in Jersey, the JFSC; and
- in the Isle of Man, the IOM FSC;

“the Relevant Authority” means any one of the Relevant Authorities;

“Responsible Individual” has the same meaning as that contained in the Crown Dependencies’ Audit Rules;

“UK” means the United Kingdom of Great Britain and Northern Ireland.

2. In this MOU:

- (a) words in the singular include words in the plural and vice versa;
- (b) words in one gender include every other gender; and
- (c) any reference to legislation includes any subordinate or delegated legislation or statutory instrument made under or pursuant to that legislation.

3. The terms of this MOU are subject to the Law in each relevant jurisdiction. If the terms of this MOU are inconsistent with the Law then the terms of the Law shall prevail and the terms of the MOU shall, to the extent of the inconsistency, be void.

Purpose and Scope of the Memorandum of Understanding

4. The purpose of this MOU is to:
- (a) provide the framework for the working relationship between the Relevant Authorities, the ICAEW and the FRC, under the implementation of systems of public oversight, quality assurance and investigations and penalties to meet the third country equivalence provisions of Article 46 of the Directive in the Crown Dependencies;
 - (b) enable the Parties to discharge their respective functions in relation to Recognised Auditors in the Crown Dependencies. In summary:
 - (i) the registration of Recognised Auditors by the Relevant Authorities, and matters relating thereto, including decisions to impose a condition on a registration, to revoke or suspend a registration;
 - (ii) the inspection of Recognised Auditors by the Monitoring Units for the purpose of ensuring compliance with the Crown Dependencies' Audit Rules and including, where relevant, the taking of (or recommending the taking of) disciplinary or regulatory action against a Recognised Auditor;
 - (iii) the FRC's independent oversight of the inspection work carried out by the ICAEW in its capacity as a Monitoring Unit;
 - (c) set out the manner in which the Parties will communicate with each other; and
 - (d) set out the way in which any legislative and other changes that may affect the responsibilities of the Parties will be managed.

The Parties have implemented a common arrangement for the registration and inspection of auditors of market traded companies.

5. The FRC exercises delegated powers and responsibilities under the Companies Act with respect to the regulation and oversight of statutory auditors in the UK. With respect to its delegated authority under the Companies Act, the FRC has two main roles in relation to audit:
- (a) a statutory obligation to oversee the regulation of auditors by the recognised supervisory bodies. In particular the FRC is responsible for the recognition, supervision and de-recognition of those accountancy

bodies responsible for supervising the work of auditors or offering an audit qualification; and

- (b) to inspect, independently of the recognised supervisory bodies, the performance of audits of all UK incorporated companies any of whose securities have been admitted to the official list in the UK and of other UK public interest entities and major audits.
6. The FRC has also been appointed in Guernsey under section 274V of the CGL 2008, in Jersey under the Companies (Designated Body) (Jersey) Order 2012 made pursuant to Article 113N of the CJL 1991, and in the Isle of Man under regulation 4 of the Public Oversight of Recognised Auditors Regulations 2010 made under section 17B of the Companies Act 1982 and Section 80D of the Companies Acts 2006 (IOM).
7. The ICAEW is a recognised supervisory body under the Companies Act and maintains and enforces rules as to the eligibility of persons for appointment as a statutory auditor, the conduct of statutory audit work, and the disciplining of auditors in England and Wales.
8. The ICAEW:
- (a) is a recognised supervisory body in Guernsey under section 274H(a) of the CGL 2008;
 - (b) is a 'recognized professional body' in Jersey under Article 102 of the CJL 1991; and
 - (c) has been appointed in the Isle of Man under regulation 5 of the Public Oversight of Recognised Auditors Regulations 2010 made under the IOM Companies Acts.
9. The Department is responsible for financial services policy in Guernsey and sponsors all policy and legislative initiatives relating to the CGL 2008. The Department is responsible for administering the Guernsey Company Registry and supporting the Guernsey Registrar of Companies, a statutory official under the CGL 2008. The Department is also responsible for supervising and regulating companies in accordance with its statutory powers under the CGL 2008. The Department is responsible for administering the legislation relating to the registration and inspection of Recognised Auditors in Guernsey.
10. The JFSC is a statutory body established under the Financial Services Commission (Jersey) Law 1998. The JFSC's main function is the regulation and supervision of financial services providers. The JFSC also incorporates

Jersey's Registry of Companies, Limited Partnerships, Limited Liability Partnerships, Separate Limited Partnerships, Incorporated Limited Partnerships, Foundations and Business Names. The JFSC is also responsible for administering the legislation relating to the registration and inspection of Recognised Auditors in Jersey.

11. The IOM FSC was established in 1983 and is an independent statutory board under the Financial Services Act 2008 of Tynwald. The IOM FSC functions include:
 - (a) the regulation and supervision of persons undertaking regulated activities (i.e. deposit-taking, investment business, services to collective investment schemes, fiduciary services, money transmission services) in or from the Isle of Man;
 - (b) the maintenance and development of the regulatory regime for regulated activities; and
 - (c) the oversight of directors and persons responsible for the management, administration or affairs of commercial entities.

The IOM FSC is responsible for administering the Laws and regulations relating to the registration and inspection of Recognised Auditors in the Isle of Man.

Consistency of legislation

12. The FRC and the ICAEW exercise inspection powers in relation to Recognised Auditors (and, in the case of the FRC, exercises powers relating to the independent oversight of the ICAEW as a Monitoring Unit) under the Laws in the Crown Dependencies. The Parties acknowledge that it is in the interests of the Parties that the legislation in respect of Recognised Auditors and the audits of market traded companies in all jurisdictions remains consistent, and, as far as possible, provides that the FRC and the ICAEW will have substantially the same functions and powers under the Laws of each Crown Dependency.
13. The Parties acknowledge that, as far as possible, the legislation relevant to the registration and inspection of Recognised Auditors should remain consistent in the Crown Dependencies and, where appropriate, with the UK.
14. If the Relevant Authority in a Crown Dependency proposes to amend the relevant legislation then, where those amendments relate to the registration and inspection of Recognised Auditors, the Relevant Authority will notify the

other Parties and permit them an opportunity to comment on those changes and will ensure that it takes those comments into consideration when amending the legislation in its jurisdiction.

Consistency of Audit Rules

15. The Parties acknowledge that, to the extent relevant, it is important that the Crown Dependencies' Audit Rules remain consistent with the ICAEW audit regulations that apply to statutory auditors in the UK registered by the ICAEW.
16. The ICAEW will inform the Relevant Authorities in the Crown Dependencies promptly should there be any need to amend the Crown Dependencies' Audit Rules. The Relevant Authorities will ensure that there is consultation if appropriate with Recognised Auditors registered in their respective jurisdictions and provide the ICAEW with any consultation responses received (if so requested by the ICAEW). Once any changes are agreed by all parties the Relevant Authorities in each Crown Dependency shall ensure that the amended rules are approved. Wherever possible and appropriate, the Parties will seek to make amendments to the Crown Dependencies' Audit Rules at the same time as any equivalent or similar changes are made to the UK Audit Rules.
17. The Relevant Authorities will consult with the ICAEW and the FRC on any changes proposed by the Relevant Authorities to the Crown Dependencies' Audit Rules and ensure that any changes proposed are acceptable to the Parties. The Relevant Authorities will ensure that there is consultation if appropriate with Recognised Auditors registered in their respective jurisdictions and provide the ICAEW with any consultation responses received (if so requested by the ICAEW). Once any changes are agreed by all parties the Relevant Authorities in each Crown Dependency shall ensure that the amended rules are approved.

Registration of Recognised Auditors

18. The Relevant Authorities are responsible for carrying out the functions relating to the registration of auditors of market traded companies in their respective jurisdictions and maintaining the Register of Recognised Auditors in accordance with the Laws in force in their respective jurisdictions. As and when changes are made to the Register of Recognised Auditors the Relevant Authorities will notify the ICAEW and the FRC of:

- (a) any changes to the information held on the Register of Auditors (including the addition or removal of Responsible Individuals from the Register); and
 - (b) any auditors added to, or removed from, the Register of Recognised Auditors.
- 19. The ICAEW, upon receipt of notification by a Recognised Auditor of any change to the list of market traded companies audited by the auditor, will advise the FRC and the Relevant Authority as soon as practicable thereafter.
- 20. The Relevant Authorities will make the Register of Recognised Auditors publicly available on their respective websites.
- 21. The ICAEW will provide all reasonable assistance to a Relevant Authority (for example, by validating information provided by an audit firm or Responsible Individual) in order for the Relevant Authority to determine that the criteria for registration in the relevant jurisdiction's Register of Recognised Auditors has been met.
- 22. Upon completion of an inspection of a Recognised Auditor by a Monitoring Unit, the ICAEW shall advise the Relevant Authority as to whether the ARC recommends the continuation (with or without conditions or limitations), or otherwise, of a Recognised Auditor's registration in the relevant jurisdiction.
- 23. Where the Relevant Authority concurs with the recommendation of the ARC it shall write to the Recognised Auditor accordingly and copy its letter to the ICAEW.
- 24. Where the Relevant Authority does not concur with the recommendation of the ARC it shall advise the ARC in writing of its reasons for not so concurring and give the ARC an opportunity to comment thereon. Notwithstanding this, the ICAEW acknowledges that under the Law the final decision on all matters relating to the registration of Recognised Auditors rests with the Relevant Authority.

Inspection of Recognised Auditors

- 25. The Parties shall agree on the respective roles of the ICAEW and the FRC as Monitoring Units in inspecting Recognised Auditors in relation to the audits of market traded companies. However, subject to notifying the Relevant Authorities and the ICAEW, the FRC retains the right to inspect the audit of any market-traded company.

26. The Monitoring Units shall inspect Recognised Auditors in the Crown Dependencies in accordance with their usual procedures and in a manner and with such frequency that is in line with the requirements of Articles 29 and 43 of the Directive and as required by the Law. The Monitoring Units shall advise each other and the Relevant Authorities in the Crown Dependencies of the proposed frequency and scope of their inspections and any proposed changes thereto. The Relevant Authorities shall provide any necessary assistance to the Monitoring Units to enable them to carry out their inspections.
27. When it would assist the Monitoring Units with their planning, including the assessment of resource and fee requirements, for a forthcoming inspection year, the Relevant Authorities shall, at a point in a year agreed between the Parties, request each Recognised Auditor to supply appropriate data on the market traded companies that it audits.

Notification of proposed regulatory or disciplinary action

28. Where a Monitoring Unit proposes to use an audit inspection report as the basis for considering or recommending: (i) regulatory or disciplinary action against a Recognised Auditor, or a Responsible Individual, under Chapters 7 and 9, respectively, of the Crown Dependencies' Audit Rules; or (ii) the imposition of a sanction under the Recognised Auditor Sanctions Procedure:
- (a) the Monitoring Unit will provide the Relevant Authorities with a copy of the report (or relevant extracts) provided that it is reasonably practicable to do so in advance of the relevant meeting of the Monitoring Unit at which such report will be considered;
 - (b) the Relevant Authority shall be invited to attend and observe proceedings at that meeting; and
 - (c) where the Relevant Authority declines, or is unable, to attend the meeting, the Monitoring Unit will as soon as possible after the expiration of the meeting notify the Relevant Authority of the decision taken as per the provisions of paragraphs 36 and 37.
29. Where it is not reasonably practicable to comply with paragraph 28 of this MOU and the Monitoring Unit has used an audit inspection report as the basis for taking or recommending: (i) regulatory or disciplinary action against a Recognised Auditor, or a Responsible Individual, under Chapters 7 and 9 respectively, of the Crown Dependencies' Audit Rules; or (ii) the imposition of a sanction under the Recognised Auditor Sanctions Procedure, then the Monitoring Unit shall provide a copy of any report (or relevant extract) considered at the relevant meeting of the Monitoring Unit, and provide details

of the basis for the decision as soon as possible after the expiration of that meeting.

30. Where the ICAEW or the FRC is considering or proposing to recommend: (i) regulatory or disciplinary action against a Recognised Auditor, or a Responsible Individual, under Chapters 7 and 9 respectively, of the Crown Dependencies' Audit Rules; or (ii) the imposition of a sanction under the Recognised Auditor Sanctions Procedure, in either case otherwise than on the basis of an audit inspection report (for example, on the basis of a complaint from an audit client that has been upheld):
- (a) the ICAEW or the FRC will provide the Relevant Authorities with a copy of the report that gives the reasons for the proposed action, or recommended action, to be taken against the Recognised Auditor, or a Responsible Individual, in advance of the relevant meeting of the ICAEW or the FRC at which such report will be considered;
 - (b) the Relevant Authority shall be invited to attend and observe proceedings at the meeting of the ICAEW or the FRC that will determine the matter; and
 - (c) where the Relevant Authority declines, or is unable, to attend the meeting, the ICAEW or the FRC will as soon as possible after the expiration of the meeting notify the Relevant Authority of the decision taken as per the provisions of paragraphs 36 and 37.
31. Where a Relevant Authority is considering imposing a condition or limitation on the registration of a Recognised Auditor other than in response to a recommendation of a Monitoring Unit, the Relevant Authority shall, where practicable, provide the Monitoring Units with advance notice of the reasons for its proposed action and give the Monitoring Units an opportunity to comment thereon.
32. Where the Conduct Committee of the FRC decides that alleged misconduct by a Recognised Auditor or Responsible Individual should be investigated by the FRC in accordance with the Accountancy Scheme, the FRC shall give the Relevant Authority notice thereof together with a summary of the circumstances of the case.
33. Where an alleged act of misconduct by a Recognised Auditor or Responsible Individual falls outside the parameters of paragraph 32. but is such that it raises, or appears to raise, important issues affecting the public interest in a Crown Dependency, the ICAEW or the FRC, as the case may be, shall notify the Relevant Authority and provide it with a summary of the circumstances of

the case. The ICAEW or the FRC, as the case may be, and the Relevant Authority shall determine between themselves which of them would be the most appropriate party to take forward a formal investigation into the alleged act of misconduct.

Notification of Investigations

34. Where, outwith the routine inspection of a Recognised Auditor (e.g. in response to a complaint from an audit client), the ICAEW or the FRC proposes to take action to investigate the conduct of a Recognised Auditor or a Responsible Individual, before commencing that action the ICAEW or the FRC shall notify the Relevant Authority of the commencement of any such investigation. The Relevant Authority shall not take any action which may prejudice or otherwise affect that investigation without first notifying the ICAEW or the FRC (as appropriate), and seeking its agreement to such action. The Relevant Authority shall co-operate with, and provide any necessary assistance to the ICAEW or the FRC during the course of the investigation.
35. Where, other than in response to a recommendation of a Monitoring Unit, a Relevant Authority is considering using powers it has under the Law to initiate a formal investigation into the conduct of a Recognised Auditor or Responsible Individual, the Relevant Authority shall provide the Monitoring Units with advance notice of the reasons for its proposed investigation and give the Monitoring Units an opportunity to comment thereon.

Notification of Regulatory, Disciplinary or other action taken

36. Where the ICAEW takes regulatory action under Chapter 7 of the Crown Dependencies' Audit Rules against a Recognised Auditor or Responsible Individual it shall notify the Relevant Authority of:
- (a) any conditions imposed upon the Responsible Individual's practising certificate;
 - (b) any restrictions placed on a Recognised Auditor;
 - (c) any decision to recommend the withdrawal of a Recognised Auditor's registration;
 - (d) any decision to recommend the suspension of a Recognised Auditor's registration for a period; and
 - (e) any other order or condition imposed by the ICAEW.

37. Where the ICAEW takes disciplinary action under Chapter 9 of the Crown Dependencies' Audit rules it shall notify the Relevant Authority of any regulatory penalty imposed on the Recognised Auditor or Responsible Individual.
38. Where the FRC imposes a sanction on a Recognised Auditor or Responsible Individual under the Recognised Auditor Sanctions Procedure it shall notify the Relevant Authority of the sanction imposed on the Recognised Auditor or Responsible Individual.
39. Where a Relevant Authority imposes a condition or limitation on the registration of a Recognised Auditor or imposes some other type of sanction on a Recognised Auditor it shall notify the Monitoring Units accordingly.

Exchange of Information on Auditors

40. Where a Relevant Authority becomes aware of any matter which may affect the eligibility of a firm or individual to be a Recognised Auditor, or the eligibility of a person to be a Responsible Individual of a Recognised Auditor that is a firm, it shall notify the Monitoring Units and any other Relevant Authority with whom the firm or individual is registered as a Recognised Auditor. The matters that may be so notified include:
 - (a) any regulatory investigation into the conduct of the Recognised Auditor or the Responsible Individual;
 - (b) the application of conditions or limitations by a Relevant Authority on a Recognised Auditor's registration;
 - (c) action being taken by a Relevant Authority that may result in the suspension or revocation of a Recognised Auditor's registration;
 - (d) any regulatory action requiring the accounts of a market traded company to be restated, re-audited, or restated and audited; and
 - (e) any other information which may relate to a Recognised Auditor's or a Responsible Individual's competence, fitness, probity or diligence.

Reporting on inspections of Recognised Auditors

41. Each Monitoring Unit shall include in an annual report information on its inspection of Recognised Auditors in the Crown Dependencies.
42. Each Monitoring Unit shall provide the Relevant Authorities with an electronic copy of the annual report referred to in paragraph 41 of this MOU

and agrees that the Relevant Authorities may publish the annual report on their respective websites.

FRC Reporting on its independent oversight of the inspection work of the ICAEW

43. Pursuant to the undermentioned legislation in Jersey and the Isle of Man, respectively, the FRC is required to produce an annual report on its independent oversight of the work of the ICAEW in inspecting Recognised Auditors:
 - a) Article 4 of the Companies (Designated Body) (Jersey) Order 2012;
 - b) Regulation 4 of the Public Oversight of Recognised Auditors Regulations 2010.
44. The FRC shall provide the JFSC and the IOM FSC with an electronic copy of the report and agree that they may publish it on their respective websites.

Registration and other Fees

45. The Parties agree that the Monitoring Units, in accordance with their internal procedures, shall have sole discretion to set their own fees in respect of inspecting Recognised Auditors and in respect of the FRC its independent oversight of the inspection work carried out by the ICAEW. The Monitoring Units shall advise the Relevant Authorities of their proposed fees chargeable to Recognised Auditors, and how they compare to fees charged in respect of UK statutory auditors, and give the Relevant Authorities an opportunity to comment on those fees and discuss the proposed fee levels with Recognised Auditors.
46. The Relevant Authorities shall charge a one-off application fee and an annual registration fee in relation to the registration of Recognised Auditors and matters relating thereto. The Relevant Authorities agree that the application and registration fees should, as far as is practicable, be the same across the three Crown Dependencies. Should any of the Relevant Authorities wish to alter their application or registration fees they shall notify the other Parties and provide all Parties with an opportunity to comment on those proposed changes and where possible agree a common fee structure across the Crown Dependencies.

Requests for information from EEA competent authorities

47. The Parties anticipate that, from time to time, EEA competent authorities may, pursuant to an agreement with the Relevant Authority, request information concerning Recognised Auditors that fall within the regulatory jurisdiction of both the EEA competent authority and a Relevant Authority.
48. The Parties acknowledge that a request for information from an EEA competent authority concerning a Recognised Auditor should properly be dealt with by the Relevant Authority that has registered the Recognised Auditor that is the subject of the request and in whose jurisdiction the relevant market traded company is incorporated.
49. Where necessary, a Monitoring Unit will assist the Relevant Authority to respond to an information request from an EEA competent authority by providing to the Relevant Authority appropriate documentation (such as copies of a Monitoring Unit's reports on the outcome of inspections, results of firm-wide quality control reviews and engagement reviews, etc.) for onward transmission to the EEA competent authority (or, by agreement with the Relevant Authority, for direct transmission by the Monitoring Unit to the EEA competent authority).
50. When requesting assistance from a Monitoring Unit under paragraph 49 the Relevant Authority will specify:
- a) the information requested by the EEA competent authority that the Monitoring Unit holds (or is believed to hold);
 - b) the reason(s) why the information is sought by the EEA competent authority and, if applicable, the relevant provisions in the EEA jurisdiction that may have been violated; and
 - c) the purposes for which the information will be used by the EEA competent authority.
51. The Parties recognise that circumstances may arise in which it would not be appropriate to provide information requested by an EEA competent authority. Such circumstances may include where:
- a) the provision of information may prejudice the sovereignty of the UK, the constitutional position of a Crown Dependency, or the security or public order of the UK or a Crown Dependency;

- b) legal proceedings (whether continuing or not) have been brought in the UK or a Crown Dependency in relation to the persons and matters to which the request for information relates;
 - c) regulatory or disciplinary action¹ has been taken by one or more of the Parties in relation to the persons and matters to which the request for information relates.
52. Where a Monitoring Unit is of the opinion that circumstances exist in which it would not be appropriate to provide (whether in part or in full) information requested by a Relevant Authority under paragraph 49 for onward transmission to an EEA competent authority, it shall notify the Relevant Authority of that fact and provide its reasons. In such an event, the Monitoring Unit shall consult with the Relevant Authority to determine if there are alternative ways to meet the objectives of the requesting EEA competent authority in seeking the information.

Ongoing Co-operation

53. The Parties agree to meet regularly (in person, by telephone or video-conference or similar), not less than annually, at a time and place agreed by the Parties to discuss:
- (a) the operation of the Law, the Crown Dependencies' Audit Rules, this MOU, and the Recognised Auditor registration and inspection regime generally and whether any amendments may be necessary to improve its effectiveness or clarify any uncertainties;
 - (b) the practical implementation of the legislation;
 - (c) developments in European legislation and regulation, and international standards, in the area of auditor registration and inspection; and
 - (d) any other matters relevant to the Recognised Auditor registration and inspection regime.

Points of contact

54. The persons listed in the Annex to this MOU will be the points of contact for the Parties. The persons listed for each of the Parties may be changed by written notice from the relevant party to the others from time to time.

¹ "... regulatory or disciplinary action ..." is to be understood in its widest sense and not just action taken under Chapters 7 or 9 of the Crown Dependencies' Audit Rules.

Memorandum not legally binding

- 55. This MOU is not legally binding and will not give rise to any legal obligation, right or remedy.
- 56. Nothing in this MOU obliges any of the Parties to disclose any information which is otherwise confidential.

Disclosure

- 57. It is agreed that any party to this MOU may disclose its terms to any person.

Commencement, amendment and termination

- 58. This MOU supersedes the Memorandum of Understanding dated 23 September 2010 between the Relevant Authorities, the ICAEW and the Professional Oversight Board.
- 59. This MOU will take effect on the date on which the Parties have all signed it and will continue to have effect until terminated by the Parties giving 6 months' notice to each other or such shorter period as is mutually agreed. It may be amended by the agreement in writing of the Parties.
- 60. If one party chooses to terminate its participation in this MOU it shall give not less than 6 months' notice to the other Parties (or such shorter period as is mutually agreed). The termination of the participation of one party in this MoU shall not terminate the MoU for the remaining Parties.
- 61. The Parties shall keep this MOU under review and shall consult each other regularly with a view to improving its effectiveness and to resolve any difficulties.

Signatures

Signed:..



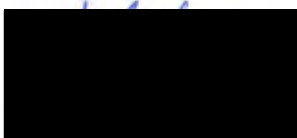
Name: David Childs

Position: Chair – Conduct Committee

Date: 18.3.15

For and on behalf The Financial Reporting Council Limited

Signed:..



Name: Duncan Wiggetts

Position: Director of Professional Conduct

Date: 22.4.15

For and on behalf the Institute of Chartered Accountants in England and Wales

Signed:....



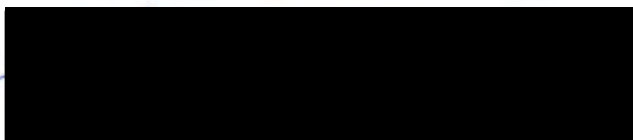
Name: Deputy Kevin Stewart,

Position: Minister, Commerce and Employment Department

Date: 5th May 2015

For and on behalf of the Commerce and Employment Department of the States of Guernsey

Signed:..



Name: Alan Bougourd,

Position: Guernsey Registrar of Companies

Date: 27-4-15

Signed:..



....

Name: Geoff Karran,

Position: Chairman

Date: 22.5.15

For and on behalf of the Financial Supervision Commission of the Isle of Man

Signed:...



.....

Name: John Harris

Position: Director General

Date: 1st June 2015

For and on behalf of the Jersey Financial Services Commission

ANNEX

Contact persons

The FRC	Dawn Bardwell Director of Professional Oversight Financial Reporting Council 8th Floor 125 London Wall London EC2Y 5AS Tel: 0207 492 2300 Email: d.bardwell@frc.org.uk
The ICAEW	Trevor Smith Regional Director, Professional Standards, The Institute of Chartered Accountants in England and Wales, Metropolitan House, 321 Avebury Boulevard, Milton Keynes, MK9 2FZ. Tel: 01778 394 184. Email: Trevor.Smith@ICAEW.com
The Jersey Financial Services Commission	Stephen de Gruchy Senior Manager, Policy & Strategy Jersey Financial Services Commission PO Box 267 14-18 Castle Street St Helier Jersey JE4 8TP Tel: 01534 822110 Email: s.degruchy@jerseyfsc.org

The Commerce and Employment Department of the States of Guernsey	Mat Desforges Policy Advisor – Financial Services and Renewables Commerce and Employment Department Raymond Falla House Longue Rue St Martins GY1 6AF Tel: 07839 746819 Email: Mat.Desforges@gov.gg Alan Bougourd Registrar of Companies Guernsey Registry Market Building PO Box 451 Fountain Street St Peter Port Guernsey GY1 3GX Tel: 01481 743800 Email: alan.bougourd@guernseyregistry.com
The Financial Supervision Commission of the Isle of Man	Mrs Susan Woolard Advisor – Policy & Legal Division Financial Supervision Commission PO Box 58 Finch Hill House Bucks Road Douglas Isle of Man IM99 1DT Tel: 01624 689333 Email: susan.woolard@fsc.gov.im