



The Association of Professional Compliance Consultants Grievance Procedures

1. Introduction

1.1 It is a condition of all levels and types of membership of the APCC that member firms and their staff (which term includes both employed and associate staff) observe the highest standards of ethical conduct including the Code of Ethics in connection with their compliance consulting and other related business. Those member firms whose staff act unethically, display serious incompetence or otherwise bring the APCC into disrepute through their behaviour, acts or omissions, whether or not related to their compliance consulting activities, may be subject to the Disciplinary Procedures set out here.

1.2 Complaints may be upheld against a member firm where either the firm or any of their staff or any sub contractors:

- (a) acts unethically, displays serious incompetence or otherwise brings into disrepute the APCC through his behaviour; or
- (b) is found guilty of any criminal offence (except minor traffic offences); or
- (c) is subject to a disciplinary sanction imposed by any regulatory or professional body; or
- (d) intentionally makes a false or misleading statement to the APCC or those performing the functions of the APCC on its behalf or at its request.

An offence under (b) will either have to have an impact on the member's fitness to act in the compliance consulting sector or will have to be of a serious nature.

1.3 The Chairman of the Steering Council, the Steering Council, the Chairman of the Disciplinary Committee and the Committee as a whole may at all times delegate their tasks under these procedures to other people.

1.4 Any changes to the Disciplinary Procedures may be made by the majority vote of the Steering Council. Any changes adopted by the Steering Council to the Disciplinary Procedures will be notified to all members prior to the date of implementation either directly or via the APCC website.



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1.5 The procedures relating to the appointments of members to the Disciplinary Committee are dealt with below.

2. Making a Complaint against a Member Firm

2.1 An eligible complainant is a client of an APCC member, an APCC member or a Regulatory Body.

2.2 Each Complaint must be made in writing, where possible supported by appropriate documentary evidence. It must be addressed to the Chairman of the Steering Council or anyone designated by him for this purpose.

2.3 A Complaint may be made by any person including the Chairman of the Steering Council.

2.4 Each Complaint must be recorded in a Complaints Register and acknowledged by the APCC within a reasonable time, normally ten working days.

2.5 Complaints against member firms should in the first instance be made to the member firm itself.

3. Disciplinary Committee

3.1 The Disciplinary Committee shall consist of three members including its Chairman.

3.2 Members of the Disciplinary Committee can be drawn from the members of the Steering Council or from senior personnel within Member Firms.

3.3 The Disciplinary Committee will be chaired by a Chairman appointed by the Steering Council.

3.4 No person who is associated with either (i) the firm which is the subject of the complaint; (ii) the firm making the complaint; (iii) any firm which is subject to any other Disciplinary investigation or action; or (iv) has any relationship or conflict of interest with the complainant or the complained against, may sit on the Disciplinary Committee when it investigates the same.

- 3.5 If the Chairman of the Steering Council himself is subject to any of the conflicts listed in 3.4 above the Steering Council will appoint another of its members to take over the role of the Chairman of the Steering Council in relation to his duties concerning the handling of the relevant complaint included in these procedures.

4. Handling of Complaints

- 4.1 When a complaint is received the Chairman of the Steering Council shall refer the Complaint and all documents submitted with the Complaint or which are known to the Chairman to be relevant to it to the Chairman of the Disciplinary Committee. The Chairman of the Disciplinary Committee shall then appoint the other members of the Disciplinary Committee and the Disciplinary Committee shall be responsible for investigating the Complaint in question.
- 4.2 The Member Firm or the individual within that firm who has a complaint made against it, or him/her should be informed of the individuals making up the Disciplinary Committee investigating the Complaint and shall be able to object to a particular person being appointed to that Disciplinary Committee. Any objection made must provide the grounds for the objection and the Disciplinary Committee shall then consider the objection. If the objection is accepted an alternate appointment will be made to the Disciplinary Committee. If the Disciplinary Committee is not minded to accept the objection the Chairman of the Steering Council will review the decision and his decision will be binding on all parties to the Complaint.
- 4.3 The Disciplinary Committee is required to determine whether, on the basis of the evidence provided to him, the Complaint is justified. The Disciplinary Committee may demand that the member complained against, the Complainant or any other member of the APCC furnish the Disciplinary Committee with information or evidence that may be relevant to any matter raised by the Complaint. This must be supplied to Disciplinary Committee in writing within 30 days or longer if agreed with the Disciplinary Committee.
- 4.4 The opinion of the Disciplinary Committee on whether to uphold the Complaint in whole or in part and the reasons for those conclusions shall be communicated to the

Chairman of the Steering Council who shall review the opinion and either ratify it or require additional review.

- 4.5 In instances where the decision of the Disciplinary Committee is to suspend the member, expel the member, report the member to the Financial Services Authority or the decision is not unanimous, the review referred to in 4.4 above and undertaken by the Chairman of the Steering Council will be extended to include all of the members of the Steering Council. In such instances the ratification of the decision of the Disciplinary Committee will be undertaken by majority vote of the full Steering Council.
- 4.6 Once the opinion of the Disciplinary Committee is ratified as a Decision by the Chairman of the Steering Council the Disciplinary Committee shall record that Decision in writing and contain the reasons for it. Those reasons may be incorporated by reference to any other document. Any member of the Disciplinary Committee wishing to express his dissent for the decision may do so and that dissent and any reasons for it will be attached to the Decision. The agreement of any Disciplinary Committee member to any Decision may be communicated in any reasonable way. Physical signature of the document concerned is not required.
- 4.7 If the Disciplinary Committee takes the view that any matter arising during the investigation of a Complaint should be reported to any regulatory body, it may do so at any time during the Complaint proceedings.
- 4.8 The Decision of the Disciplinary Committee shall, subject to these rules, be binding on all Members. It shall be communicated to the Complainant and to the member.

5. Sanctions

- 5.1 The Disciplinary Committee may dismiss the Complaint in full or in part. If it upholds the Complaint in any respect, it must impose one of the sanctions set out below. In determining the sanction to be imposed, the Disciplinary Committee may have regard to all matters to the attention of which it is aware even where those matters in themselves could not have formed the subject matter of a successful Complaint.

5.2 **A Censure**

The Disciplinary Committee may censure a member. This shall take the form of a written reproach sent by the APCC to the member. That reproach may consist of a communication to the member that the Complaint is upheld and that he has been censured. It may be public or private.

5.3 **Suspension**

The Disciplinary Committee may order suspension for a specified period of time, not exceeding 3 years, of a firm's right to be an ordinary member and/or the right to use all or any of designatory letters or descriptions associated with the APCC.

5.4 **Expulsion**

The Disciplinary Committee may order the expulsion of the member from APCC. An expulsion order may be made against a person who since the initiation of the Complaint has resigned from the APCC. Any firm who has been expelled from the APCC may only apply for readmission upon documentary evidence that it has undergone a change of control that is acceptable to the Steering Council.,

5.5 The Disciplinary Committee may make an order requiring any member to pay the reasonable costs of the APCC, an Independent external Investigator, the Complainant and/or the member of participating in the disciplinary proceedings regardless of the sanctions imposed.

5.6 The Disciplinary Committee shall determine the extent of the publicity to be given to the result of its proceedings. It may in any event communicate fully its findings and any evidence submitted to it to any appropriate regulatory body.

6. **Appeals**

6.1 An appeal may only be brought where the Disciplinary Committee has expelled or suspended the member from the APCC. The appeal shall be by way of re-hearing.

6.2 The communication of any decision against which an appeal may be brought shall include or be accompanied by a notice stating that an appeal against it may be

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submitted in writing to the Chairman of the Steering Council and must be submitted to him within 14 days of the date of posting the decision.

- 6.3 A notice of appeal must be submitted in writing to the Chairman of the Steering Council within 14 working days of the date of posting the decision to the member. It should state the grounds on which the member believes that the Disciplinary Committee's decision should be reversed or varied. The Chairman may extend this time limit if he considers it appropriate.
- 6.4 Any decision against which an appeal may be brought shall not come into effect until 14 working days of the date of its posting to the member. The submission of an appeal shall suspend its effect until the determination of the appeal unless the Steering Council otherwise decides.
- 6.5 The Chairman of the Disciplinary Committee shall appoint an Appeal Panel consisting of three members, one of whom will be appointed as the Appeal Panel Chairman. The Appeal Panel shall investigate the Appeal on the same basis and with the same powers as for the original investigation by the Disciplinary Committee. But if any member of the Appeal Panel is the complainant or has any relationship/conflict of interest with the complainant or the complained against they cannot take part.
- 6.6 The Chairman of the Appeal Panel shall determine the procedures to be adopted in determining the appeal except as stated herein. In particular, he is not required to convene an oral hearing or meeting in any form.
- 6.7 On an appeal, the Appeal Panel may affirm the decision and the penalties imposed, or vary either the decision or the penalty imposed. The Appeal Panel may make an order as to the costs of its proceedings and those of the Disciplinary Committee in the same way as the Disciplinary Committee as set out above.
- 6.8 The decision of the Appeal Panel shall be communicated to the Chairman of the Steering Council and by him to the member and the Complainant.



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7. Membership of Panels

- 7.1 No member of a Disciplinary Committee may be appointed to an Appeal Panel for the same or a related case.
- 7.2 Any member of a Disciplinary Committee or Appeal Panel who has a conflict of interest shall declare that interest to the Complainant and member and shall only continue to be a member of the relevant panel if the Complainant and member both consent.

8. General

- 8.1 In this document unless the context otherwise requires, words importing one gender shall include the other and words importing the singular shall include the plural and vice versa. Similarly, such words shall include incorporated or unincorporated bodies within their import.
- 8.2 Any communication shall, unless the contrary is proved be deemed to be made within 7 working days of posting.
- 8.3 These procedures and any amendment thereof shall take effect on a date to be determined by the Steering Council of the APCC and shall apply to future and existing Complaints alike provided that nothing herein shall require previous steps taken in relation to Complaints that have already been made to be re-done or re-considered.