

# AIA Regulatory Oversight Committee

Terms of Reference

## 1.0 Introduction

The terms of reference for the AIA Regulatory Oversight Committee describes its purpose, scope, and authority.

The terms of reference provide clear and specific information on how the committee is organised, what the committee is created to achieve, its membership and meeting arrangements.

## 2.0 Purpose and Authority

The Regulatory Oversight Committee (ROC) ("the Committee") is a Committee whose powers are delegated to it by the AIA Council.

The Committee's purpose is to review and ensure AIA's compliance with the Money Laundering Regulations 2017, with particular reference to the Office for Professional Body Anti-Money Laundering Supervision Sourcebook ([OPBAS Sourcebook](#)), which covers:

- Governance
- Risk-based approach
- Supervision
- Information sharing
- Member guidance
- Staff competence and training
- Enforcement
- Record keeping and quality assurance

The Committee reviews AIA's compliance with the regulations, scrutinises decision making made at an operational level and suggests recommendations for improvement or meeting best practice.

The Committee derives its authority from the AIA Council, detailed in Bye-Law 10.1.

## 3.0 Duties

The duties of the Committee include, but may not be limited to, assuring itself that:

- there is a clear allocation of responsibility for managing AIA's AML supervisory activity in line with recognition under Schedule 3 of the Money Laundering Regulations 2017
- there is proportionate supervision of AIA's supervised population using a risk-based approach
- there is appropriate supervision of AIA's supervised population using different tools for monitoring members' AML defences
- guidance and communications given to AIA members to assist their understanding of the risks of money laundering and terrorist financing
- controls and systems in place around the active sharing of information and intelligence with other professional bodies and law enforcement agencies
- staff are equipped to take decisions on whether a member's policies, controls and procedures are appropriate in view of the risks identified

- effective, fair and appropriate action is taken against relevant persons where they have failed to meet their AML obligations
- significant decisions related to AML supervision and the documentation of reasons for action to maintain an adequate record are reviewed
- AIA's AML processes are subjected to periodic review
- AIA's annual questionnaire response to OPBAS is agreed

## 4.0 Membership

The Committee consists of at least five members of suitable experience and seniority as the Council shall decide, or such other number as the Council shall deem necessary.

From the membership of the Committee a Chair is elected, who must be a member of AIA's Council.

Only members of the Committee have the right to attend meetings of the Committee on a regular basis. Other individuals may be invited to attend all or part of any meeting, by the Chair, as and when appropriate.

There is no length of time specified for membership of Committees.

All members attending the Committee have a right to vote, except for any individuals 'in attendance', and the Chair has the casting vote.

The AIA Council has the power to fill any casual vacancies in the Committee and to suspend or remove for misconduct any member.

### *Chair*

The Chair of the Committee is appointed in accordance with the AIA Constitution.

In the absence of the Committee Chair the remaining members shall elect one of themselves to chair the meeting.

The Chair works with the Secretary to the Council and is responsible for:

- agreeing dates, times and locations for meetings
- ensuring meetings are called and held in accordance with AIA's Constitution and specific Committee Terms of Reference
- establishing and confirming an agenda for each meeting
- ensuring the meeting agenda and relevant documents are circulated to the members of the committee in advance of the meeting
- officiating and conducting meetings
- providing leadership and ensuring committee members are aware of their obligations and that the committee complies with its responsibilities
- ensuring there is sufficient time during the meeting to fully discuss agenda items
- ensuring that discussion on agenda items is on topic, productive and professional
- ensuring minutes are complete and accurate, retained, included and reviewed at the next meeting in line with AIA's policy

## 5.0 Meeting Arrangements

### *Frequency*

Meetings of the Regulatory Oversight Committee shall usually be held two times per year.

- Prior to the Members in Practice renewal period and risk assessment of Members
- Following the Compliance deadline and linked to the monitoring

### *Quorum*

The quorum for the Regulatory Oversight Committee shall be three members.

### *Minutes*

The Secretary to the Council shall minute the proceedings and resolutions of all meetings of the Committee; minutes of committee meetings shall be circulated to all members of the Committee and are reported to the AIA Council at the next Council meeting.

The minutes and papers of meetings held by the Committee are held in accordance with agreed policies.

### *Attendance*

Meetings shall be held in person at a location arranged by the Secretary to the Council or by videolink.

Outside of the Committee membership the attendees shall include the Director of Operations and Compliance Officer, who provide statistical and quantitative information.

## 6.0 Reporting

The Committee shall make whatever recommendations it deems appropriate on any area within its remit where actions or improvement is required.

The Committee shall exercise such powers and perform such duties as described in this document and additional duties which may be vested in or assigned to them by the AIA Council from time to time, and all matters dealt with shall be reported to the Council at the next succeeding meeting of the Council by written report including recommendations.

## 7.0 Notice of Meetings

Meetings of the Committee shall be summoned by the Secretary to the Council at the request of the Committee Chair.

Unless otherwise agreed, notice of each meeting, confirming the venue, time and date together with an agenda of items to be discussed and supporting papers shall be forwarded to each member of the Committee, and any other person required to attend, no later than 5 working days before the date of the meeting.

## 8.0 Conflict of Interest Policy

Members of the Committee are obliged to declare in advance of the meeting any relevant information in line with AIA's Conflict of Interest Policy.

## **9.0 Equality & Diversity Policy**

Members of the Committee are obliged to declare in advance of the meeting any relevant information in line with AIA's Conflict of Interest Policy.

## **10.0 Review**

The Terms of Reference are reviewed annually by the Committee at the first meeting following the Annual General Meeting and changes by the Secretary to the Council subject to approval by the AIA Council.



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