

PART C

**APPENDICES
TO PENSION RULES FOR RETIREMENT FUNDS**

APPENDIX 5

(SLC 1.5.3 of Part B of the Pension Rules for Retirement Funds)

Auditor's Letter of Engagement

The auditor's letter of engagement shall include terms requiring the auditor:

- 5.1 to provide such information or verification to the MFSA as the MFSA may request;
- 5.2 to afford another auditor all assistance as may be required;
- 5.3 to vacate the office of auditor if such auditor becomes disqualified to act as auditor for any reason;
- 5.4 to advise the MFSA of the fact and of the reasons for ceasing to hold office, if the auditor resigns, or is removed or not reappointed. The auditor shall also be required to advise the MFSA if there are matters which should be brought to the attention of the MFSA;
- 5.5 in accordance with article 35 of the Act, to report immediately to the MFSA any fact or decision of which the auditor becomes aware in the capacity of auditor of such Retirement Fund which:
 - i. is likely to lead to a serious qualification of, or refusal to issue, the auditor's report on such Retirement Fund; or
 - ii. constitutes or is likely to constitute a material breach of the legal or regulatory requirements applicable to a Retirement Fund in or under the Act; or
 - iii. seriously impairs the Retirement Fund's ability to meet the current or future liabilities attributable to it; or
 - iv. negatively and materially affects the interests of Investors; or
 - v. relates to any other matter which may be prescribed.
- 5.6 pursuant to article 35(2) of the Act, to report to the MFSA any facts or decisions of any person having close links with the Scheme within the meaning of article 9 (10) of the Act, of which the auditor becomes aware in the capacity of auditor of the Scheme or of the person having such close links.