

PART C

**APPENDICES
TO RULES FOR
PERSONAL RETIREMENT SCHEMES**

APPENDIX 9

(SLC 1.4.3 and 6.3.5 of Part B of the Pension Rules for Personal Retirement Schemes)

Auditor's and Actuary's Engagement Letter

- 9.1 The auditor's letter of engagement shall include terms requiring the auditor:
- (a) to provide such information or verification to the MFSA as the MFSA may request;
 - (b) to afford another auditor all assistance as may be required;
 - (c) to vacate the office of auditor if such auditor becomes disqualified to act as auditor for any reason;
 - (d) to advise the MFSA of the fact and of the reasons for his/ her 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;
 - (e) 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 Scheme which:
 - i. is likely to lead to a serious qualification of, or refusal to issue, the auditor's report on such Scheme; or
 - ii. constitutes or is likely to constitute a material breach of the legal or regulatory requirements applicable to a Scheme in or under the Act; or
 - iii. seriously impairs the Scheme's ability to meet the current or future liabilities attributable to it; or
 - iv. which negatively and materially affects the interests of Members and Beneficiaries; or
 - v. relates to any other matter which may be prescribed;
 - (f) 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;
- 9.2 The actuary's letter of engagement shall include terms requiring the actuary:
- (a) to provide such information or verification to the MFSA as the MFSA may request;

- (b) to afford another actuary all assistance as may be required;
- (c) to vacate the office of actuary if such actuary becomes disqualified to act as actuary for any reason;
- (d) to advise the MFSA of the fact and of the reasons for his/ her ceasing to hold office, if the actuary resigns, or is removed or not reappointed. The actuary shall also be required to advise the MFSA if there are matters which should be brought to the attention of the MFSA;
- (e) in accordance with article 35 of the Act, to report immediately to the MFSA any fact or decision of which it becomes aware in its capacity as actuary of such Scheme which:
 - i. is likely to lead to a serious qualification of, or refusal to issue, the actuary's report on such Scheme; or
 - ii. constitutes or is likely to constitute a material breach of the legal or regulatory conditions applicable to a Scheme in or under the Act; or
 - iii. seriously impairs the Scheme's ability to meet the current or future liabilities attributable to it; or
 - iv. which negatively and materially affects the interests of Members and Beneficiaries; or
 - v. relates to any other matter which may be prescribed.
- (f) 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 actuary becomes aware in the capacity of actuary of the Scheme or of the person having such close links.