

Maldives Chartered Accountants Practicing Certificate Regulation

Regulation No: 2025/R-xxx

Maldives Chartered Accountants Practicing Certificate Regulation

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1.	Introduction and citation	
	(a)	This Regulation is made pursuant to the authority granted to the Council of the Institute of Chartered Accountants of the Maldives by the Maldives Chartered Accountants Act (Law Number 13/2020).
	(b)	This Regulation shall be cited as “The Maldives Chartered Accountants Practicing Certificate Regulation”.
	(c)	This Regulations shall apply to the following persons:
	(i)	all members of the Institute;
	(ii)	any individual or a firm who practices or intends to practice as a chartered accountant or a firm of chartered accountants in public practice; and
	(iii)	Registered Student, Affiliates, and Accountants in Business.
2.	Objective	
	The objective of this Regulation is to facilitate the efficient administration of the Act, set out the rules to be followed by chartered accountants in public practice and establish policies and procedures regarding the issuance of practicing certificate for accountants in public practice.	
3.	Restrictions on carrying on public practice	
	(a)	Members
	(i)	No member shall be entitled to carry on public practice unless the member holds a practicing certificate issued by the Institute which authorizes the carrying on of the activity in question.
	(ii)	A member shall only be regarded as holding a practicing certificate where it is current and valid. The certificate shall at all times remain the property of the Institute and the Institute shall retain the right to demand its return at any time without giving any reasons.
	(b)	Members and firms

		(i)	No member shall be the sole proprietor, a partner or a director of a firm where public practice is carried on in the name of the firm, or otherwise in the course of the firm's business, unless the member holds a practicing certificate issued by the Institute.
		(ii)	No member shall hold rights in a firm where public practice is carried on in the name of the firm, or otherwise in the course of the firm's business, unless the member holds a practicing certificate issued by the Institute.
4.	The Practicing Certificate		
	The practicing certificate shall authorize the carrying on of the activities as specified in the holder's certificate, as updated from time to time.		
5.	Eligibility for a practicing certificate		
	A person shall be eligible for a practicing certificate where:		
	(a)	the person is sufficiently qualified in accordance with Section 6 to carry on any activity constituting public practice;	
	(b)	the person is fit and proper within the meaning of Section 7; and	
	(c)	the person holds the necessary Professional Indemnity Insurance (PII) in accordance with Section 8.	
6.	Qualifications and other requirements		
	(a)	Practicing certificate for sole practitioners	
		(i)	Every individual applying for a practicing certificate that authorizes the member to the carrying on of any activity constituting public practice, shall satisfy the following.
		(aa)	Must be an associate member or fellow member of the Institute in good standing;
		(bb)	Must have a minimum of three years of experience in the field of accountancy, including at least one year gained from working in the Maldives within the three years preceding the application. This experience must be acquired either as an employee or otherwise, within the applied line(s) of practice, and must be supervised by a

				suitably experienced member or a person deemed to have adequate qualifications by the Admissions and Licensing Committee.
			(cc)	Where the Act or any other regulatory body requires a member to hold a certain qualification, experience or specifies any other criteria, to carry on of public practice in a specific line of practice, the member shall satisfy such requirements.
			(dd)	Registered Student, affiliates, and accountants in business who are not associate members or fellow members of the Institute shall not be eligible to carry on public practice.
	(b)	Practicing certificate for firms		
		(i)		A firm applying for a practicing certificate that authorizes the firm to the carrying on of any activity constituting public practice, shall satisfy the following.
		(aa)		The firm must have a majority of the partners or a majority of the directors and shareholders who holds a practicing certificate issued by the Institute that authorizes the carrying on of public practice in the name of the firm.
		(bb)		Where any law or regulation requires the firm to satisfy a certain criterion to carry on of public practice in a specific line of practice, the member shall satisfy such requirements.
		(cc)		Where the firm is a partnership, the firm shall comply with the Maldives Partnership Act (Law Number 13/2011).
		(dd)		Where the firm is a company, the firm shall comply with the Maldives Companies Act (Law Number 7/2023).
		(ee)		A foreign firm issued a practicing certificate shall comply with the Maldives Foreign Investment Act (Law Number 11/2024).
		(ff)		At least 50% (fifty percentage) of the technical staff working at the firm shall be Maldivian citizens.

		(gg)	The senior management (including partners and directors) of the firm shall constitute of Maldivian citizens at the following percentage for the following periods: <table><tr><th>Period</th><th>Percentage</th></tr><tr><td>From the date of commencement of this Regulation to 31 December 2027</td><td>20%</td></tr><tr><td>from 1 January 2028 to 31 December 2030</td><td>35%</td></tr><tr><td>from 1 January 2031 to 31 December 2033</td><td>45%</td></tr><tr><td>from 1 January 2034 and thereafter</td><td>60%</td></tr></table>	Period	Percentage	From the date of commencement of this Regulation to 31 December 2027	20%	from 1 January 2028 to 31 December 2030	35%	from 1 January 2031 to 31 December 2033	45%	from 1 January 2034 and thereafter	60%
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	(c)	Firms and individuals											
		(i)	Where the Act or any regulations made pursuant to the Act, or any other law or regulation requires that a particular line of practice may only be carried on in the Maldives by a citizen of Maldives, a practicing certificate for that line of practice shall only be issued to Maldivian citizens.										
		(ii)	Notwithstanding anything to the contrary in this section, practicing certificate for a sole proprietorship, shall be issued only if the practitioner is a Maldivian citizen resident in the Maldives.										
7.	Fit and proper												
	(a)	The Admissions and Licensing Committee shall only issue a practicing certificate to an applicant that is fit and proper, as determined by it in accordance with this section.											
	(b)	In determining whether a person is “fit and proper”, the Admissions and Licensing Committee may, without limitation, take into account the following:											
		(i)	whether that person has been convicted of a criminal offence;										
		(ii)	if a professional accountancy body has taken disciplinary action against the person, at least 2 (two) years have passed since the action was taken.										

	(iii)	not be a person who has been declared bankrupt by a court of Maldives or a court of another country within the past 5 five years from the date of application for the practicing certificate.
	(iv)	where the applicant for a practicing certificate has been convicted of a criminal offense by a court of Maldives or a court of another country, at least two (2) years have elapsed from enforcement of judgment or the date on which clemency was granted for that offence.
	(v)	any matter relating to any person who is or will be employed by or associated with the person for the purposes of or in connection with public practice.
	(c)	The Admissions and Licensing Committee may take into account all current and past matters which impact on the ability to hold a practicing certificate.
8.	Professional Indemnity Insurance (PII)	
	(a)	Applicants for and/ or holders of practicing certificate shall be insured with an insurance company, licensed under the Maldives Monetary Authority Act (Law Number 6/81), to the extent it is sufficient to cover any civil financial liability arising from the incompleteness of a service rendered or from a failure to render a service to an adequate standard.
	(b)	Professional Indemnity Insurance (PII) must remain in force for all of the period during which a practicing certificate is held.
	(c)	A copy of the insurance certificate specified in subsection (b) shall be submitted to the Institute within 1 (one) month of issuance of the practicing certificate and services shall not be provided before such an insurance.
	(d)	Each person subject to this section shall be deemed to have authorized the Institute to seek, direct from the relevant insurer and/ or broker, confirmation of matters of record.
	(e)	Each person subject to this section must keep a record of insurance claims made by them pursuant to their PII. Such record must be available for inspection by the Institute.

9.	Continuing Professional Development (CPD)	
	(a)	Members holding a practicing certificate must comply with the CPD requirements in the Institute's Membership Regulation.
	(b)	Notwithstanding subsection (a), of the twenty-one (21) hours of verifiable CPD hours required under the Membership Regulation, at least ten (10) hours must be obtained from the relevant line(s) of public practice.
	(c)	The Institute may prescribe, in the form of a mandated CPD, specific training programs conducted by the Institute that holders of practicing certificate need to participate or complete.
	(d)	If a situation arises where the CPD mentioned in subsection (c) cannot be completed, upon notifying the Admissions and Licensing Committee, if the committee deems the situation acceptable, an exception may be granted to that practicing certificate holder.
10.	List of persons authorized to practice	
	(a)	The Council shall from time to time publish or cause to be published
	(i)	a list of firms and individuals authorized to carry on public practice in Maldives as Chartered Accountants;
	(ii)	where the Council becomes aware of a member who is not issued a practicing certificate, carrying on of any activity constituting public practice in the Maldives, the Council shall issue a public notice on its website or by any other means, that such person is not a Chartered Accountant in practice certified by the Institute.
11.	Conduct	
	(a)	Holders of practicing certificate shall use the designatory title "Chartered Accountant" if they are a sole practitioner, and "Chartered Accountants" if they are a firm.
	(b)	Persons issued a practicing certificate to practice in the name of a firm shall not practice in their individual capacity.
	(c)	Holders of practicing certificate shall not provide a service for which they do not have the capacity and resources to provide the service.

	(d)	Holders of practicing certificate in the conduct of their work to which the certificate relates shall:	
	(i)		comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA) as adopted by the Institute.
	(ii)		apply to all relevant engagements, the IFRS Accounting Standards, IFRS Sustainability Disclosure Standards, and IFRS Accounting Standard for Small and Medium Enterprises as adopted by the Institute.
	(iii)		apply to all relevant engagements the International Standards on Auditing (ISAs) and other pronouncements issued by the International Auditing and Assurance Standards Board (IAASB) as adopted by the Institute.
12.	Application and Fees		
	(a)	Persons who wish to apply for a practicing certificate shall submit a completed application form together with the information and documents specified therein, to the Institute.	
	(b)	Applicants shall pay an application fee (non-refundable) to obtain a practicing certificate to the Institute. In addition, for so long as they hold a practicing certificate, they must pay an annual fee to the Institute.	
	(c)	Application fee is due upon submission, and the annual fee is due on 31 st July of each year, unless otherwise directed by the Institute.	
	(d)	The following application fee and annual fee shall be payable by individuals:	
	(i)		Application Fee (non-refundable): MVR 2,000
	(ii)		Annual Fee: The higher of MVR 3,000 or 1% of revenue generated from public practice.
	(e)	The following application fee and annual fee shall be payable by firms:	
	(i)		Application Fee (non-refundable): MVR 5,000
	(ii)		Annual Fee: The higher of MVR 7,000 or 1% of revenue generated from public practice.
	(f)	In calculating the annual fee payable under this regulation, individuals and firms shall exclude any revenue derived from lines of public practice for which a separate fee is already paid to the Institute.	

	(g)	Notwithstanding anything to the contrary in this Section, the maximum amount of annual fee payable by a holder of the practicing certificate shall not exceed MVR 100,000.
	(h)	Where public practice is carried out in the name of a firm, the firm shall be responsible for paying the fees stipulated in this regulation.
	(i)	For the purposes of this section, "revenue" refers to the gross income generated from professional services rendered in the course of public practice.
	(j)	Individuals and firms must maintain accurate records of all revenue streams and provide documentation to the Institute upon request to substantiate the exclusion of revenue as specified in subsection (f).
	(k)	The Institute reserves the right to review and verify the revenue calculations and exclusions claimed by individuals and firms to ensure compliance with this section.
	(l)	Violation of this section is an offence and any individual or firm found to be in violation of this section may be subject to penalties, including but not limited to fines, or other disciplinary actions as stipulated in Schedule 1 of this regulation.
13.	Validity and Renewal of Practicing Certificate	
	(a)	A practicing certificate issued under this regulation shall be valid for a period of three (3) years, provided the conditions stipulated in this regulation are met.
	(b)	An application for renewal of practicing certificate shall be submitted forty-five (45) days prior to the expiry of the issued practicing certificate.
	(c)	A non-refundable renewal fee of MVR 2,000 for individuals and MVR 5,000 for firms shall be payable.
	(d)	Failure to submit a renewal application within the period specified in subsection (b) shall result in the applicant having to submit a new application pursuant to section 12(a) of this regulation.
14.	Review and Approval of Application	

	(a)	Applications for practicing certificates shall be reviewed, and the decision regarding its issuance shall be made by the Admissions and Licensing Committee of the Institute.
	(b)	The Admissions and Licensing Committee shall verify that the applicant fulfills the eligibility criteria stipulated in this regulation.
	(c)	For the purpose of verifying whether the condition stated in subsection (b) are met, the Admissions and Licensing Committee may, if it deems necessary, summon the applicant for an interview.
	(d)	If the applicant fulfills the criteria, a practicing certificate shall be issued to the applicant.
	(e)	The Institute shall inform the applicant of the decision made regarding the application within 45 working days.
	(f)	If the Admissions and Licensing Committee decides not to issue a practicing certificate, the applicant shall be notified of the reason for the decision in writing.
15.	Monitoring and compliance	
	(a)	Persons subject to this Regulation shall be subject to monitoring by the Institute, in order to monitor compliance with this Regulation and the Act.
	(b)	For the purposes of subsection (a), members must supply the Institute with all the information necessary to enable the Institute to complete its monitoring process efficiently.
	(c)	Persons subject to this Regulation shall ensure (insofar as they are able) that all persons associated with them shall, co-operate with the Institute in its monitoring and enforcement of compliance with this Regulation.
	(d)	Persons subject to this Regulation shall maintain proper books and records at all times to facilitate the proper performance of their duties.
	(e)	The requirements of subsection (d) shall apply to persons for as long as they hold a practicing certificate, and for a period of five years after they cease to do so for any reason.
16.	Notification	

	(a)	A holder of practicing certificate shall notify the Institute in writing of the following changes not less than 28 days before the change is implemented:
	(i)	A change in the name of the holder, or where it is a body corporate, its registered name and, in the case of a firm, of any partner, director, member or controller of it;
	(ii)	A change in the address of the holder or, in the case of a body corporate, registered office or, if different, the address of the place for service of notices or documents;
	(iii)	The opening or closure of a branch office of the holder;
	(iv)	The disposal or cessation of a holder's practice.
	(b)	Notification of a change of name of a person holding a practicing certificate shall be accompanied by an application for a new practicing certificate of the relevant type from the stated date.
	(c)	The new practicing certificate specified in subsection (b) shall retain the same validity period as the initially issued certificate and a fee of MVR 500 shall be charged for the issuance of the new practicing certificate.
	(d)	A holder of practicing certificate shall give written notice forthwith to the Institute of the occurrence of any of the following, setting out in the notice details of the event in question and any other relevant information:
	(i)	in the case of a partner, member or director of a firm, a person has become or ceased to be a partner, member or director of it, and, in the case of a body corporate, a person has become or ceased to be controller of it and, in the case of a sole practitioner, has ceased to practice;
	(ii)	where the holder is a partnership, an application or notice to dissolve the partnership and where it is a body corporate, the presentation of a petition for winding up or the summoning of any meeting to consider to a resolution to wind up the body corporate;
	(iii)	the granting or refusal of any application for, or revocation of, a recognized professional qualification or any certificate entitling the holder or, in the case of a firm, any partner, member or director of it to carry on audit work or the assurance of

			sustainability reporting from another qualifying or supervisory body;
		(iv)	the imposition of disciplinary measures or sanctions on the holder or, in the case of a firm, any partner, member or director of it or controller of it by any other regulatory authority or professional body of which the holder or such a person is a member;
		(v)	the happening of any event which causes the holder to cease to be eligible for the practicing certificate;
		(vi)	non-compliance with subsection(s) 6(b)(1)(ff) and/ or 6(b)(1)(gg) of this Regulation;
		(vii)	any other information relevant to the determination by the Admissions and Licensing Committee of the fitness and propriety of the holder in accordance with Section 7 of this regulation;
		(viii)	any other information that the Institute may require in connection with the requirements of this regulation.
17.	Offences and Penalties		
	(a)	All offenses and their corresponding penalties are detailed in Schedule 1 of this regulation.	
18.	Cancellation of Practicing Certificate		
	(a)	The Institute shall have the authority to cancel the practicing certificate issued upon the occurrence of the following events:	
		(i)	an application for cancellation of practicing certificate;
		(ii)	death of the individual holding the practicing certificate;
		(iii)	dissolution of the firm which has been issued a practicing certificate;
		(iv)	proof in writing from a registered health worker that the individual who has been issued a practicing certificate is not of sound mind;
		(v)	a court judgment against a person holding a practicing certificate for negligence in discharging their professional duties;

	(vi)	where the person holding a practicing certificate is declared bankrupt by a court judgment;
	(vii)	a court of the Maldives or a court of another country declares that the person who has been issued a practicing certificate has committed a criminal offence;
	(viii)	a complaint to the Institute against a person holding a practicing certificate regarding their involvement in fraud, money laundering, or any other such act, followed by an examination and decision by the Ethics Committee of the Institute to cancel the practicing certificate;
	(ix)	disciplinary action by a professional accountancy body against the sole practitioner or against a firm that has been granted a practicing certificate;
	(x)	failure to meet an eligibility criterion laid down in this regulation;
	(b)	Notwithstanding anything to the contrary in this section, firms may be granted a cure period to remedy the non-compliance where the Admissions and Licensing Committee deems it appropriate given the circumstance or event. If the non-compliance is not remedied within the given period, the practicing certificate shall be cancelled.
	(c)	Any cure period given pursuant to subsection (b) does not prevent the Institute from taking any actions specified in Schedule 1 of this Regulation regarding the non-compliance.
19.	Annual Return	
	(a)	All persons issued a practicing certificate pursuant to this Regulation must submit an annual return, together with the information specified therein, to the Institute within two (2) months from the end of the financial year.
	(b)	Failure to submit the annual return by the due date shall constitute an offence and late submission of the annual return will incur penalties as stipulated in Schedule 1 of this Regulation.
20.	Compliance with Anti-Money Laundering (AML) and Counter Financing of Terrorism (CFT) Laws and Regulations	

	(a)	Persons holding a practicing certificate shall comply with all applicable Anti-Money Laundering (AML) and Counter Financing of Terrorism (CFT) laws and regulations as stipulated by the relevant authorities of the Maldives. In this regard the person shall, <i>inter alia</i> :
	(i)	conduct appropriate due diligence on clients, including verifying the identity of clients and beneficial owners, and assessing the risk of money laundering and terrorism financing;
	(ii)	maintain records of all transactions and client information as required by AML/ CFT laws and regulations for a minimum period as specified in those laws and regulations;
	(iii)	report any suspicious activities or transactions to the relevant authorities in accordance with AML/ CFT laws and regulations;
	(iv)	ensure that they and their staff are adequately trained and aware of their obligations under AML/ CFT laws and regulations;
	(v)	designate a compliance officer at management level for implementation of AML/ CFT laws and regulations within the firm.
	(b)	The designated compliance officer pursuant to subsection (a)(v) shall be a Maldivian citizen.
	(c)	Failure to comply with AML/ CFT laws and regulations may result in disciplinary action, including suspension or revocation of the practicing certificate as stipulated in Schedule 1 of this regulation.
21.	General Provisions	
	(a)	Unless specified otherwise in this Regulation, public holidays and Government holidays shall not be included in computing the periods specified in days in this Regulation.
	(b)	The Schedules to this Regulation shall be an important part of this Regulation. The Regulation shall be complete only with the Schedules.
	(c)	Where the application for a practicing certificate includes 'statutory audit and assurance services' as a line of practice, the application form shall be accompanied by all documents required under the Audit Licensing Regulation of the Institute.
22.	Transitional Provisions	

	(a)	Where the applicant already holds a Professional Indemnity Insurance (PII) at the first instance of an application under this Regulation that does not comply with the requirements laid out in Section 8, the applicant shall be required to meet the requirements of Section 8 in their next renewal of Professional Indemnity Insurance (PII).
	(b)	Persons issued a practicing certificate under this regulation shall pay the annual fee stipulated in section 12 of this regulation for their first year of practice, based on the revenue earned from the date of issuance of the practicing certificate to 31 December of that year.
23.	Definitions	
	Unless the context of any word or phrase specified in this Regulation requires otherwise, the following words and phrases shall have the following meanings:	
	(a)	<i>Firm</i> means a partnership or company or other entity of professional accountants.
	(b)	<i>Act</i> refers to the Maldives Chartered Accountants Act (Law Number 13/2020).
	(c)	<i>Member</i> means associate members and fellow members of the Institute registered pursuant to Section 8(a) of the Act.
	(d)	<i>Admissions and Licensing Committee</i> means the Admissions and Licensing Committee of the Institute as specified in Section 30 of the Act.
	(e)	<i>Person</i> includes an individual, company, partnership, or any other body corporate.
	(f)	<i>Chartered Accountant in Public Practice</i> means a chartered accountant or a firm of chartered accountants that has been issued a practicing certificate under this Regulation.
	(g)	(i) The term <i>public practice</i> which may be carried on by a person, means, if, in consideration of remuneration received or to be receivable, the person:
		(aa) Carries on the practice of professional accountancy; and/or
		(bb) offers to perform or performs service involving the auditing or assurance or verification of financial transactions, books, accounts or records, or the

				preparation, verification or certification of financial accounting and related statements; and/or
			(cc)	renders professional services requiring accountancy or related skills undertaken by a chartered accountant, including, without limitation, accounting, auditing, tax, management consulting, financial consulting, or financial management; and/or
			(dd)	signs or produces any accounts or report or certificate concerning any person's financial affairs, transactions, financial accounting or related statements, in circumstances where reliance is likely to be placed on such accounts or report or certificate by any other person (the "third party"), or doing any other thing which may lead the third party to believe that the accounts or report or certificate have been prepared, approved or reviewed by a chartered accountant; and/or
			(ee)	renders any other services which may be declared from time to time by the Council to be a service constituting practice as any accountant; and/or
			(ff)	holding oneself out, or allowing oneself to be held out, as a sole proprietor, partner or director of a firm where public practice is carried on; and/or
			(gg)	holds oneself or itself out, or allowing oneself or itself to be held out, as being available to undertake the activities referred to in (aa) – (ee) above, and allowing oneself or itself to be known as "Chartered Accountant(s)", "Certified Chartered Accountant(s)", "Accountant(s)" or "Auditor(s)" or any similar description or designation.
		(ii)		A person who is a salaried employee of the Government, or of any one employer shall not, by reason only that he does any act referred to in subsection (i) in his capacity as such employee, be deemed to be carrying on public practice as a chartered accountant.

	(h)	<i>Practicing Certificate</i> means a certificate issued by the Institute to a chartered accountant or a firm of chartered accountants to carry on public practice in the Maldives.
	(i)	<i>Institute</i> means Institute of Chartered Accountants of the Maldives established under the Maldives Chartered Accountants Act (Law Number 13/2020).
	(j)	<i>Council</i> means the Council of the Institute of Chartered Accountants of the Maldives.
	(k)	<i>Registered student</i> means individuals registered with the Institute pursuant to Student Regulation of the Institute of Chartered Accountants of the Maldives (Regulation Number R-83/2024).
	(l)	<i>Resident</i> means, in the case of an individual, who is present in the Maldives for an aggregate of 183 (One Hundred and Eighty-Three) days or more in any 12 (Twelve) month period commencing or ending during a year.
	(m)	<i>Member in good standing</i> means individuals admitted as an associate or fellow member of the Institute who are up to date with membership subscriptions and any other fees and are current with their Continuing Professional Development (CPD) requirements.
	(n)	<i>Technical staff</i> means permanent employees engaged to perform the duties primarily within the line(s) of practice for which the practicing certificate is sought.
24. Commencement of the Regulation		
This Regulation shall take effect from the date of its publication in the Government Gazette.		

Schedule 1 – Offenses and penalties

#	Offense	Penalties	
		Sole Proprietors	Firms
1.	The offence of non-payment of annual fee by deadline	<ul style="list-style-type: none"> ▪ fine of 0.05% (zero point zero five per cent) per day of the outstanding amount from the due date of payment ▪ cancellation of practicing certificate if past due 6 months (<i>the non-payment fine will cease at this point</i>) ▪ Notwithstanding the above, the Institute may ask the individual to submit a document explaining the reason for the failure to pay the fees due to the Institute. Based on the reason provided, the Council of the Institute may: <ul style="list-style-type: none"> (i) inform the individual to pay the due amount within 1 (one) year based on a specified schedule; or 	<ul style="list-style-type: none"> ▪ fine of 0.05% (zero point zero five per cent) per day of the outstanding amount from the due date of payment ▪ cancellation of practicing certificate if past due 6 months (<i>the non-payment fine will cease at this point</i>) ▪ Notwithstanding the above, the Institute may ask the firm to submit a document explaining the reason for the failure to pay the fees due to the Institute. Based on the reason provided, the Council of the Institute may: <ul style="list-style-type: none"> (i) inform the firm to pay the due amount within 1 (one) year based on a specified schedule; or

#	Offense	Penalties	
		Sole Proprietors	Firms
		(ii) require the individual to pay the due amount within a specified time period not exceeding 6 (six) months.	(ii) require the firm to pay the due amount within a specified time period not exceeding 6 (six) months.
2.	Under declaration of annual fee	<ul style="list-style-type: none"> ▪ payment of the underdeclared amount ▪ fine of 0.05% (zero point zero five per cent) per day of the underdeclared amount from the due date of payment ▪ cancellation of practicing certificate if past due 6 months from the date the underdeclared amount was determined <i>(the non-payment fine will cease at this point)</i> 	<ul style="list-style-type: none"> ▪ payment of the underdeclared amount ▪ fine of 0.05% (zero point zero five per cent) per day of the underdeclared amount from the due date of payment ▪ cancellation of practicing certificate if past due 6 months from the date the underdeclared amount was determined <i>(the non-payment fine will cease at this point)</i>
3.	Failure to file the annual return	<ul style="list-style-type: none"> ▪ a fine not exceeding MVR 50 (Fifty Rufiyaa) for each day of delay from the date required to file the annual return 	<ul style="list-style-type: none"> ▪ a fine not exceeding MVR 50 (Fifty Rufiyaa) for each day of delay from the date required to file the annual return

#	Offense	Penalties	
		Sole Proprietors	Firms
		<ul style="list-style-type: none"> ▪ Cancellation of practicing certificate if past due 6 months (<i>the late filing fine will cease at this point</i>) 	<ul style="list-style-type: none"> ▪ Cancellation of practicing certificate if past due 6 months (<i>the late filing fine will cease at this point</i>)
4.	Declaring false information or failure to include required information in the annual return	<ul style="list-style-type: none"> ▪ First Offence: impose a fine of MVR 1,000 (One Thousand Rufiyaa) and inform the individual to submit the correct and/ or required information within a specified time period. ▪ Second Offence: impose a fine of MVR 5,000 (Five Thousand Rufiyaa) and inform the individual to submit the correct and/ or required information within a specified time period. ▪ Third and Subsequent Offences: impose a fine of MVR 10,000 (Ten Thousand Rufiyaa) and suspend the practicing certificate for a period of 1 (one) year. 	<ul style="list-style-type: none"> ▪ First Offence: impose a fine of MVR 2,000 (Two Thousand Rufiyaa) and inform the individual to submit the correct and/ or required information within a specified time period. ▪ Second Offence: impose a fine of MVR 10,000 (Ten Thousand Rufiyaa) and inform the individual to submit the correct and/ or required information within a specified time period. ▪ Third and Subsequent Offences: impose a fine of MVR 20,000 (Twenty Thousand Rufiyaa) and suspend the practicing certificate for a period of 1 (one) year.

#	Offense	Penalties	
		Sole Proprietors	Firms
5.	Failure to give any notice required under this Regulation	<p><u>Failure to notify the Institute in writing of changes not less than 28 days before implementation:</u></p> <ul style="list-style-type: none"> a fine not exceeding MVR 5,000 (Five Thousand Rufiyaa), based on the delay in notification to the Institute. <p><u>Failure to give written notice forthwith to the Institute of the occurrence of specified Events:</u></p> <ul style="list-style-type: none"> a fine not exceeding MVR 5,000 (Five Thousand Rufiyaa), based on the delay in notification to the Institute. 	<p><u>Failure to notify the Institute in writing of changes not less than 28 days before implementation:</u></p> <ul style="list-style-type: none"> a fine not exceeding MVR 8,000 (Eight Thousand Rufiyaa), based on the delay in notification to the Institute. <p><u>Failure to give written notice forthwith to the Institute of the occurrence of specified Events:</u></p> <ul style="list-style-type: none"> a fine not exceeding MVR 8,000 (Eight Thousand Rufiyaa), based on the delay in notification to the Institute.
6.	Failure to provide any information or maintain documents in accordance with this Regulation	<ul style="list-style-type: none"> A fine not exceeding MVR 5,000 (Five Thousand Rufiyaa). 	<ul style="list-style-type: none"> A fine not exceeding MVR 10,000 (Ten Thousand Rufiyaa).

#	Offense	Penalties	
		Sole Proprietors	Firms
7.	failure to meet an eligibility criterion laid down in this regulation	<ul style="list-style-type: none"> ▪ Cancellation of practicing certificate 	<ul style="list-style-type: none"> ▪ Cancellation of practicing certificate
8.	Non-compliance with subsection 6(b)(1)(ff) of this Regulation	-	<ul style="list-style-type: none"> ▪ First Instance: a fine of MVR 5,000 ▪ Second Instance: a fine of MVR 10,000 ▪ Third and Subsequent Instances: a fine not exceeding MVR 50,000
9.	Non-compliance with subsection 6(b)(1)(gg) of this Regulation	-	<ul style="list-style-type: none"> ▪ First Instance: a fine of MVR 5,000 ▪ Second Instance: a fine of MVR 10,000 ▪ Third and Subsequent Instances: a fine not exceeding MVR 50,000
10.	a court judgment against a person holding a practicing certificate for negligence in discharging their professional duties	<ul style="list-style-type: none"> ▪ A fine between MVR 5,000 (Five Thousand Rufiyaa) and MVR 100,000 (One Hundred Thousand Rufiyaa). 	<ul style="list-style-type: none"> ▪ A fine between MVR 5,000 (Five Thousand Rufiyaa) and MVR 200,000 (One Hundred Thousand Rufiyaa).

#	Offense	Penalties	
		Sole Proprietors	Firms
11.	a court of the Maldives or a court of another country declares that the person who has been issued a practicing certificate has committed a criminal offence	<ul style="list-style-type: none"> ▪ Cancellation of practicing certificate 	<ul style="list-style-type: none"> ▪ Cancellation of practicing certificate
12.	An investigation conducted by the Ethics Committee concludes that a person issued a practicing certificate was involved in or involved in orchestrating a fraudulent activity	<p>Based on the severity of the offence, the following penalties may be imposed:</p> <ul style="list-style-type: none"> ▪ cancellation of the practicing certificate; ▪ imposition of a fine ranging from MVR 5,000 (Five Thousand Rufiyaa) to MVR 100,000 (One Hundred Thousand Rufiyaa); ▪ withholding the issuance of a practicing certificate for a period not exceeding 3 (three) years. 	<p>Based on the severity of the offence, the following penalties may be imposed:</p> <ul style="list-style-type: none"> ▪ cancellation of the practicing certificate; ▪ imposition of a fine ranging from MVR 5,000 (Five Thousand Rufiyaa) to MVR 100,000 (One Hundred Thousand Rufiyaa); ▪ withholding the issuance of a practicing certificate for a period not exceeding 3 (three) years.
13.	An investigation conducted by the Ethics	Based on the severity of the offence, the following penalties may be imposed:	Based on the severity of the offence, the following penalties may be imposed:

#	Offense	Penalties	
		Sole Proprietors	Firms
	Committee concludes that a person holding a practicing certificate was involved in money laundering, corruption, tax evasion or terrorism financing activity	<ul style="list-style-type: none"> ▪ imposition of a fine ranging from MVR 10,000 (Ten Thousand Rufiyaa) to MVR 500,000 (Five Hundred Thousand Rufiyaa) and suspension for a period not exceeding 5 (five) years; ▪ the case shall be escalated to the relevant authorities for further investigation if it is not currently being investigated or if the relevant authorities are not aware of the case. ▪ cancellation of the practicing certificate 	<ul style="list-style-type: none"> ▪ imposition of a fine ranging from MVR 10,000 (Ten Thousand Rufiyaa) to MVR 500,000 (Five Hundred Thousand Rufiyaa) and suspension for a period not exceeding 5 (five) years; ▪ the case shall be escalated to the relevant authorities for further investigation if it is not currently being investigated or if the relevant authorities are not aware of the case. ▪ cancellation of the practicing certificate
14.	disciplinary action by a professional accountancy body against the person that has been granted a practicing certificate	<p>Based on the decision taken by the professional accountancy body, the following actions and/ or penalties may be imposed on the individual:</p> <ul style="list-style-type: none"> ▪ issuance of advisory notice; ▪ in cases where the offence involves a breach of the code of 	<p>Based on the decision taken by the professional accountancy body, the following actions and/ or penalties may be imposed on the firm:</p> <ul style="list-style-type: none"> ▪ issuance of advisory notice; ▪ in cases where the offence involves a breach of the code of

#	Offense	Penalties	
		Sole Proprietors	Firms
		<p>conduct, a directive to comply with the code of conduct;</p> <ul style="list-style-type: none"> informing to adhere to the breached code of conduct within the specified time period; A fine between MVR 5,000 (Five Thousand Rufiyaa) and MVR 100,000 (One Hundred Thousand Rufiyaa); suspension for a specified time period; cancellation of the practicing certificate; withholding issuance of practicing certificate for a certain period. 	<p>conduct, a directive to comply with the code of conduct;</p> <ul style="list-style-type: none"> informing the firm to adhere to the breached code of conduct within the specified time period; A fine between MVR 5,000 (Five Thousand Rufiyaa) and MVR 100,000 (One Hundred Thousand Rufiyaa); suspension for a specified time period; cancellation of the practicing certificate; withholding issuance of practicing certificate for a certain period.
15.	Failure to adhere to any law and regulation required to follow as a public practitioner	<p>Based on the severity of the offence, following penalties maybe imposed:</p> <ul style="list-style-type: none"> issuance of advisory notice; requirement to complete specific training(s); 	<p>Based on the severity of the offence, following penalties maybe imposed:</p> <ul style="list-style-type: none"> issuance of advisory notice; requirement to complete specific training(s);

#	Offense	Penalties	
		Sole Proprietors	Firms
		<ul style="list-style-type: none"> ▪ imposition of a fine ranging from MVR 5,000 (Five Thousand Rufiyaa) to MVR 10,000 (Ten Thousand Rufiyaa); ▪ suspension of the practicing certificate for a period not exceeding 3 (three) years. 	<ul style="list-style-type: none"> ▪ imposition of a fine ranging from MVR 5,000 (Five Thousand Rufiyaa) to MVR 20,000 (Twenty Thousand Rufiyaa); ▪ suspension of the practicing certificate for a period not exceeding 3 (three) years.
16.	<p>Failure to pass the Practice Monitoring and/or Quality Assurance Review program conducted by the Institute;</p> <p>Failure to adhere to the code of conduct specified in this Regulation</p>	<p>Based on the findings, the following penalties may be imposed:</p> <ul style="list-style-type: none"> ▪ issuance of advisory notice; ▪ requirement to complete specific training(s); ▪ imposition of a fine ranging from MVR 5,000 (Five Thousand Rufiyaa) to MVR 10,000 (Ten Thousand Rufiyaa); ▪ suspension of the practicing certificate for a period not exceeding 2 (two) years. 	<p>Based on the findings, the following penalties may be imposed:</p> <ul style="list-style-type: none"> ▪ issuance of advisory notice; ▪ requirement to complete specific training(s); ▪ imposition of a fine ranging from MVR 5,000 (Five Thousand Rufiyaa) to MVR 20,000 (Twenty Thousand Rufiyaa); ▪ suspension of the practicing certificate for a period not exceeding 2 (two) years.