



Together we are stronger<sup>SM</sup>



## All MSI members are required to adhere to the Code of Conduct

### OVERVIEW

The objective of this Code of Conduct is to ensure that members have a common set of guidelines to follow so that appropriate standards are maintained when doing business together, and that membership of MSI Global Alliance (MSI) provides real value for all member firms and their clients.

MSI members share the same core values and are committed to extending to one another's clients "Preferred Client" status, which can be achieved by adhering to the Code of Conduct.

All MSI members are required to adhere to the Code of Conduct. Members are requested to ensure that all professional staff in their firm are aware of the Code of Conduct and it is referred to in advance of doing business with other MSI members.

### PREFERRED CLIENT STATUS

Member firms must ensure that all business referred by another member is prioritised in order to provide to maintain and enhance the good names of all firms involved.

Members must remain committed to providing clients of member firms with the same high levels of quality service and respect that they provide to their own clients.

Members must respond to all requests from other members and their clients in a timely and efficient manner, with acceptable levels of urgency and courtesy.

When third party services are required, members must always seek the client's consent in relation to their selection and proposed fees.

### PROVIDING FREE ADVICE TO MSI MEMBERS

Members are normally expected to provide straightforward advice to other members free of charge. As a guideline, such advice should only become chargeable once a member has spent over 30 minutes on the enquiry.

Upon receiving a request for information, the recipient member must use their judgement and explain to the other party if they feel that the scope of the enquiry means the response will be chargeable.

If the enquiry becomes chargeable work, then the Formal Referral Procedures must be followed.

### MISSION STATEMENT

*MSI Global Alliance aims to be the leading international multidisciplinary association of independent professional firms serving entrepreneurial businesses.*

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## EXPECTED RESPONSE TIMES

Members must respond to any emails or phone calls received from other MSI members or their clients as soon as is practical. A confirmation of receipt should be sent within 24 hours, with an estimate of when the member or client can expect to receive a full response.

If there is a high degree of urgency the referring firm must stress this at the time of initial contact.

Members should take into account time zone differences when waiting for a response.

## MEMBER-TO-MEMBER ENQUIRY PROCEDURES

Referring members should clearly define the parameters of an enquiry from the outset.

Initial contact with another member firm should be made through MSI's MemberLink intranet or copied to [memberservices@msiglobal.org](mailto:memberservices@msiglobal.org). If the Secretariat is aware of the initial enquiry then we can help to facilitate the communication by ensuring that the right person has been contacted and can inform the sender if we are aware of any issues that may affect the response rate; ultimately we can ensure that the initial response received is satisfactory.

When sending the initial enquiry, however small, the referring member must:

- ◆ indicate that they are a fellow MSI member
- ◆ only send an enquiry to one contact within each recipient firm (with copies in place where necessary)
- ◆ indicate the timescale within which a response is required
- ◆ if the referring firm wishes to send the enquiry to more than one firm, it must be clear to all recipients that more than one firm has been contacted
- ◆ the receiving firm should indicate by return whether they are able to respond to the enquiry and in what timescale
- ◆ where more than one firm has been contacted, all recipients should be informed once the referring member has decided on a firm to proceed with. This ensures that those firms that have not been selected do not spend further time on the enquiry.

In follow-up correspondence:

- ◆ the referring member should provide a full and clearly defined brief
- ◆ both the referring and recipient firms should keep communication channels open
- ◆ the recipient firm should be made aware when the enquiry is closed.

## FORMAL REFERRAL PROCEDURES

One of the main objectives of MSI is to encourage the development of business between members. Subject to the wishes of the client, the referring firm should



therefore use its best efforts to refer clients to another MSI member in the appropriate jurisdiction, provided that the receiver of work has the necessary expertise and resources.

Members must not refer work unless they are absolutely sure that the client is able to settle the fees, although it remains the receiving firm's responsibility to carry out whatever due diligence they believe is appropriate.

Member firms should only accept referrals if they have the professional capacity, time and sufficient resources in personnel and experience to deal with the work.

In the event that the receiver of a referral is unable to accept the work for any reason, that firm should assist the referring firm with finding a suitable firm to carry out the work.

Members should provide an estimate of time and costs and an agreement on the basis upon which fees will be charged.

The procedures for engaging external consultants (e.g. barristers, notary publics, technical experts, etc) must be clearly explained in advance.

From the outset members must establish who is the client of whom and then without fail issue a letter of engagement. This course of action is necessary in order to prevent the referring firm becoming liable for any malpractice instigated by the firm that served the client.

It must be agreed from the outset in the letter of engagement whether the receiver of referral work is to bill the referring firm or the referring firm's client directly.

Members should use their best efforts to track all referrals received from and sent to other members

### **TECHNICAL STANDARDS**

Every member firm must ensure it operates in accordance with its local legislation.

Firms must comply with the guidelines or regulations set by their governing bodies.

When involved in international work each member firm must comply with applicable international standards.

### **INDEPENDENCE AND CONFLICTS OF INTEREST**

Member firms are not permitted to conduct business in the name of MSI Global Alliance (MSI). Member firms remain independent and must make this clear in any dealings with clients and other third parties.

Members must identify any potential conflicts of interest before accepting an instruction from another member firm.

To preserve their professional independence, members should not enter into any relationship that might impair their freedom of decision.

### **COMPLAINTS PROCEDURE**

At the earliest opportunity, ensure that the recipient firm is aware of any issue and has the opportunity to explain or rectify the problem.

Ensure that the Secretariat is aware of any complaint from the outset, as early intervention can often resolve an issue.



Each member firm has a primary MSI contact person – always listed first in the Directory booklet and online - this primary contact should be copied in to your initial correspondence highlighting the problem.

If the initial request for clarification does not resolve the problem, then a formal complaint should be registered with the Secretariat member services team ([memberservices@msiglobal.org](mailto:memberservices@msiglobal.org)). Full details of the complaint should be provided.

MSI will follow any complaint and file it so that appropriate action can be taken if there has been a serious breach of professional standards, or if there is evidence of a regular trend of minor breaches.

At all stages, MSI will communicate its opinions to both parties involved.

Although MSI will try to arbitrate any dispute, it will not become involved in the resolution of legal disputes.

MSI Global Alliance is an international association of independent legal and accounting firms. Each firm is a separate and independent legal entity and is not liable for the acts or omissions of any other firm. MSI Global Alliance is an association and does not fall within the definition of “network” under the International Federation of Accountants (IFAC) Code of Ethics (Section 290) and the European Union Statutory Audit (revised 8th Company Law) Directive. MSI Global Alliance Ltd is a company registered in England (No: 2511919). MSI Global Alliance does not provide services to clients and has no liability for the services or activities of any member firm.