



ONTARIO INSTITUTE MEMBER'S HANDBOOK CHANGE #46

The attached pages update your *ICAO Member's handbook* to include amendments approved by the Council to take effect June 20, 2012.

To bring your *ICAO Member's handbook* up to date, please remove the existing pages and replace with the new pages, as follows:

	<u>Withdraw page(s)</u>	<u>Insert new page(s)</u>
Title Page	Change No. 45-B	Change No. 46
Bylaws	Amendments 1 to 4	Amendments 1 to 4
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When you have incorporated this release into your handbook, you may find it useful to keep this page as a record by filing it at the end of your *ICAO Member's handbook* binder.

A handwritten signature in black ink that reads 'T.E. Warner'.

T.E. WARNER, BA, FCIS, P.Adm
VICE-PRESIDENT AND REGISTRAR
July 2012



ICAO

MEMBER'S HANDBOOK

Revised to June 20, 2012
including
Change No. 46

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BYLAWS

Bylaws relating generally to the conduct of the affairs of The Institute of Chartered Accountants of Ontario (the "Institute")

WHEREAS the Institute has been continued by the Act (hereinafter defined).

AND WHEREAS it is considered expedient to enact Bylaws relating generally to the conduct of the affairs of the Institute;

BE IT THEREFORE ENACTED as Bylaws of the Institute as follows:

1. GENERAL PROVISIONS

1.1 Meaning of Words

In this Bylaw and all other bylaws, resolutions, regulations, policies and other documents of the Institute, words have the same meaning as they do in the Act and, unless the context otherwise requires:

- 1.1.1 the singular includes the plural;
- 1.1.2 the masculine gender includes the feminine;
- 1.1.3 "Act" means the *Chartered Accountants Act, 2010*, as amended from time to time;
- 1.1.4 "Applicant" means any person applying to the Institute under the bylaws;
- 1.1.5 "bylaw" or "bylaws" means these Bylaws and any other bylaws of the Institute that may be in force;
- 1.1.6 "certificate of authorization" means a certificate of authorization issued to a professional corporation pursuant to the *Public Accounting Act, 2004* to permit it to engage in the practice of public accounting;
- 1.1.7 "Committee" means any committee established by the Council pursuant to the bylaws;
- 1.1.8 "Council" means the governing council of the Institute;
- 1.1.9 "Council Member" has the meaning ascribed to it in Section 3.1;
- 1.1.10 "CPAB" means the Canadian Public Accountability Board;
- 1.1.11 "documents" includes deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures or other securities and all paper writings; and also includes data and information in electronic form;

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- 1.1.12 “electronic signature” means electronic information that a person creates or adopts in order to sign a document, and that is in, attached to or associated with the document;
- 1.1.13 “firm” means any entity registered or eligible for registration under the Act or the bylaws, and includes a partnership, a limited liability partnership, and a professional corporation;
- 1.1.14 “immediate family member” means an individual’s spouse, common law spouse, parent, sibling, natural or adopted children, natural grandchildren or a child legally adopted by the natural or adopted child of the individual such that the child is considered a grandchild of the individual;
- 1.1.15 “in good standing” means a person who has not resigned or been suspended from membership or registration or had membership or registration revoked;
- 1.1.16 “licence” means a licence issued to a Member pursuant to the *Public Accounting Act, 2004* to permit the Member to engage in the practice of public accounting;
- 1.1.17 “Member” means any individual who is admitted as a member of the Institute according to the bylaws, but does not include a Student, Applicant or membership candidate;
- 1.1.18 “membership candidate” is an Applicant who, having fulfilled the requirements in the regulations for candidacy, has been granted the status of a candidate for membership in the Institute;
- 1.1.19 “organization” includes corporation, company, society, association, firm or similar body as well as any department or division of a government or a Crown corporation, agency, board or commission established by or pursuant to statute;
- 1.1.20 “PAC Standards” mean the Standards and Guidelines of the Public Accountants Council for the Province of Ontario, as amended from time to time;
- 1.1.21 “practice of public accounting” means the provision of the services described in s. 2 of the *Public Accounting Act, 2004*, excluding any exceptions to services listed in s. 3 of that Act;
- 1.1.22 “practising office” means an office of a Member, firm or professional corporation engaged in the practice of public accounting or in providing accounting services to the public or both; for student registration purposes, and subject in that regard to such conditions as may be stipulated by the Council from time to time, “practising office” also includes Members holding the office of Auditor General of Canada or of Auditor General of Ontario;
- 1.1.23 “profession” means the profession of Chartered Accountants in Ontario and “professional” refers to that profession;

1.1.24 “professional colleague” means a Member of the Institute or a member of a provincial institute;

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1.1.25 “professional corporation” means a corporation incorporated under the *Business Corporations Act* that has as its only shareholder(s) a Member or Members;

1.1.26 “providing accounting services to the public” includes:

- (i) the performance of any engagement addressed by standards in the CICA Handbook- Assurance for which a licence is not required under the *Public Accounting Act, 2004* to perform the engagement;
- (ii) accounting insofar as it involves analysis, advice and interpretation in an expert capacity, but excluding record keeping ;
- (iii) taxation, insofar as it involves advice and counselling in an expert capacity, but excluding mechanical processing of returns;
- (iv) compilation services, if it can reasonably be expected that all or any portion of the compilation or associated materials prepared by the Member providing the service will be relied upon or used by a third party, whether or not a licence is required under the *Public Accounting Act, 2004*; and
- (v) such other services and activities as may be included by the Council by resolution from time to time;

and all references in the Rules of Professional Conduct to “public accounting” shall be read as though they were also references to “providing accounting services to the public”.

1.1.27 “provincial institute” means an institute or ordre of Chartered Accountants or Chartered Professional Accountants incorporated in any province or territory of Canada other than Ontario, or in Bermuda;

Amended June 21, 2012

1.1.28 “public accounting engagement” means an engagement in which a Member, firm or professional corporation provides any service described in s. 2 of the *Public Accounting Act, 2004*, and excludes the services listed in s. 3 of that Act;

1.1.29 “public representative” means an individual who is not a member, former member, student or former student of any accounting body;

1.1.30 “registration certificate” means a certificate issued under the Act, bylaws, or regulations to a professional corporation;

1.1.31 “regulations” means the regulations and rules of the Institute in force from time to time;

- 1.1.32 “rules” means the procedural rules of the Institute in force from time to time including, but not limited to, the Rules of Practice and Procedure made under s. 25.1 of the *Statutory Powers Procedure Act*;
- 1.1.33 “Rules of Professional Conduct” means the bylaws of the Institute designated as the Rules of Professional Conduct in force from time to time;
- 1.1.34 “sole proprietor” means a Member providing accounting services to the public or practising public accounting other than in association with any other Member; and
- 1.1.35 “Student” means any individual who is registered as a student with the Institute according to the bylaws.

1.2 Rulings

In the event of any dispute as to the intent or meaning of any bylaw or of any rule of professional conduct or regulation made, adopted or enacted pursuant to the bylaws, the ruling of the Council on the construction and interpretation thereof will be final and conclusive. In addition to all its other powers, the Council may publish interpretations for the information and guidance of Members and firms on matters related to the bylaws, regulations and Rules of Professional Conduct.

1.3 References to Writing

References to writing will be construed as including, where necessary or appropriate, references to printing, facsimile, electronic mail, and other modes of representing or reproducing words in a visible form.

1.4 Headings

Headings used in the bylaws are for convenience of reference only and will not affect the interpretation of the bylaws.

1.5 Statute Changes

A reference in a bylaw, rule of professional conduct, regulation or Council interpretation to an Act of the Parliament of Canada or a provincial legislature, the citation or name of which has changed as a result of a general revision of the statutes or an amendment to the applicable Act, shall be deemed to be a reference to the corresponding Act or provision of an Act after the change in name or change in citation; and the Council shall cause the necessary change to the citation or name set out in the published by-law, rule of professional conduct, regulation or Council interpretation to be made at a convenient time of republication.

**THE INSTITUTE OF CHARTERED
ACCOUNTANTS OF ONTARIO**

**REGULATION 4-1
ADMISSION TO MEMBERSHIP**

**Adopted by the Council pursuant to the *Chartered Accountants Act, 2010*, and the
Bylaws on June 16, 2011, as amended on June 20, 2012.**

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**REGULATION 4-1
ADMISSION TO MEMBERSHIP**

Adopted by the Council pursuant to the *Chartered Accountants Act, 2010*, and the Bylaws on June 16, 2011, as amended on June 20, 2012.

Definitions

1. In this regulation, words have the same meaning as they do in the Act and bylaws and:
 - 1.1 “regulatory organization” includes any organization with the authority to regulate any person, service, goods, or market;
 - 1.2 “Uniform Evaluation” means the qualifying evaluation prepared by the Board of Evaluators of the CICA Qualifications Committee on behalf of the provincial institutes.

Admission

2. The Registrar shall admit to membership in the Institute anyone who:
 - 2.1 makes an application in the appropriate form for membership and pays the prescribed fee;
 - 2.2 provides evidence of good character satisfactory to the Registrar;
 - 2.3 is not an undischarged bankrupt;
 - 2.4 has paid all dues and other amounts levied by the Institute;
 - 2.5 has provided all information and produced all documents and other materials requested by the Institute or anyone acting on its behalf; and:
 - 2.5.1 is a student registered with the Institute who has fulfilled, to the satisfaction of the Registrar, all of the requirements in the applicable registration category, as set out in Regulation 6-1;
 - 2.5.2 is a member in good standing of a provincial institute;
 - 2.5.3 has fulfilled, to the satisfaction of the Registrar, the requirements set out in Regulation 6-2, and any other requirements made applicable by the regulation; or
 - 2.5.4 is not a student registered with the Institute but is registered as a student with another provincial Institute and:

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- 2.5.4.1 has passed the Uniform Evaluation; and
 - 2.5.4.2 has completed the educational and practical experience requirements prescribed by the other provincial institute; and
 - 2.5.4.3 is unable to become a member of the other provincial institute due to any legal restriction in that province which is not also a legal restriction in Ontario in respect of membership in the Institute.
3. Anyone applying for membership shall disclose whether he or she is the subject of an investigation or is or has been the subject of disciplinary proceedings by a regulatory organization, whether or not he or she is a member of that organization; and shall provide a consent permitting the Registrar to access information regarding such investigation or disciplinary proceedings from that organization.
4. Notwithstanding section 2, the Registrar may defer consideration of an application for membership until such time as any investigation or discipline proceeding disclosed pursuant to section 3 has been concluded.

Conditional Admission

5. Anyone applying for membership in the Institute shall disclose to the Registrar forthwith upon:
- 5.1 becoming a bankrupt;
 - 5.2 making a proposal to creditors;
 - 5.3 becoming the subject of a formal proceeding as an insolvent debtor; or
 - 5.4 having a business of which he or she is an owner placed under a receiving order,
- as defined in the Bankruptcy and Insolvency Act.
6. The disclosure referenced in section 5 shall be in writing, and shall include:
- 6.1 all documentation pertaining to the subject of the disclosure or, if all documentation is not yet available, an undertaking to provide the documentation as soon as it becomes available;
 - 6.2 the pleadings related to the subject of the disclosure or, if the pleadings are not yet filed, an undertaking to provide the pleadings as soon as they become available;

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- 6.3 all documentation pertaining to the financial circumstances of the individual making the disclosure, including, but not limited to, income tax returns, financial statements and financial records; and
- 6.4 a consent permitting the Institute to directly access information and documents related to the subject of the disclosure from the trustee in bankruptcy, the superintendent in bankruptcy, or the official receiver, as the case may be.
7. The individual making the disclosure shall also provide forthwith any other information or documents requested by or on behalf of the Registrar, unless the individual is asserting in good faith and on reasonable grounds the specific document requested is subject to legal privilege and that privilege is not waived.
8. Notwithstanding section 2, the Registrar shall consider the disclosure and the information and documentation provided pursuant to sections 5 through 7, and shall, provided the individual otherwise meets the requirements of this regulation:
 - 8.1 admit the individual to membership in the Institute;
 - 8.2 admit the individual to membership on the individual abiding by one or more of the following terms and conditions:
 - 8.2.1 satisfactorily completing, within a time specified, prescribed courses or examinations;
 - 8.2.2 engaging, for a time specified, an advisor, counsellor or tutor;
 - 8.2.3 satisfactorily completing a period of supervised practice or employment;
 - 8.2.4 restricting his or her practice or employment in a specified manner for a specified period of time;
 - 8.2.5 reporting as specified to the Registrar on the progress of the subject of the disclosure; or
 - 8.2.6 any other terms and conditions the Registrar deems appropriate;
 - 8.3 refuse to admit the individual to membership in the Institute.
9. The Registrar, in making a decision provided for in section 8, shall consider appropriate factors, which may include, but are not limited to:
 - 9.1 the circumstances pertaining to the event requiring disclosure under section 5 and to the conduct of the individual making the disclosure;
 - 9.2 the extent to which the event requiring disclosure may put at risk the interests of:

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- 9.2.1 any client or employer associated with the individual making the disclosure; or
- 9.2.2 any other party impacted or affected by the event;
- 9.3 the number and nature of creditors affected;
- 9.4 whether any potential civil or criminal liability has arisen as a result of the event requiring disclosure;
- 9.5 the current financial circumstances of the individual making the disclosure;
- 9.6 the anticipated date of release from insolvency; and
- 9.7 whether the individual is competent and capable of performing, as a chartered accountant, without impairment the essential duties of any current or anticipated employment, business or practice.

Factors

- 10. The Registrar shall not admit anyone under this regulation without being satisfied that such admission will not:
 - 10.1 place the public or any member of the public at risk; or
 - 10.2 bring the reputation of the profession into disrepute.

Reference

- 11. Prior to making a decision provided for in this regulation, the Registrar may refer the matter to the Membership Committee for advice.
 - 11.1 The Chair of the Membership Committee shall determine whether a reference pursuant to this section 11 shall be conducted as a review of the disclosure, information and documents provided to the Registrar, or as a hearing, and the decision of the Chair is final.
 - 11.2 A hearing under this section 11 shall be conducted in accordance with the Rules of Practice and Procedure.
 - 11.3 The parties to a hearing under this section 11 are the individual making the disclosure and the Registrar.
 - 11.4 The Membership Committee shall consider the matter and give advice to the Registrar.
 - 11.5 The Registrar shall consider any advice provided under this section 11 and shall make a decision provided for in this regulation.

Denial of Membership

12. The Registrar shall not admit to membership in the Institute anyone who:
 - 12.1 fails to make any disclosure or provide any information or document required by this regulation; or
 - 12.2 provides information or a document that is false or misleading, unless the Registrar is satisfied that the falsehood or misleading is not material and that it was made inadvertently.

Appeal

13. An individual who is denied membership in the Institute or who is admitted on terms and conditions may appeal the decision of the Registrar to the Membership Committee.
14. The parties to an appeal are the individual appealing and the Registrar.
15. The appeal shall be conducted in accordance with the Rules of Practice and Procedure.
16. No member of the Membership Committee who provided advice to the Registrar shall be a member of the tribunal hearing the appeal in the same matter.
17. The decision of the Membership Committee is final.

Membership Certificate

18. Upon admission as a Member of the Institute, a Member is entitled to receive a certificate certifying that membership, under the seal of the Institute.
19. The membership certificate is the property of the Institute, and shall be returned forthwith to the Registrar upon the Member ceasing to be a Member in good standing of the Institute, or upon request of the Registrar.

Associates

20. Anyone admitted to the Institute as a Member under this regulation is an Associate of the Institute of Chartered Accountants of Ontario.

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- 27.2 have been granted retired-member status in another provincial institute or an accounting body listed in Schedules A or B of Regulation 6-2 and have completed at least one year of membership in good standing in the Institute;
- shall:
- 27.3 be exempt from the payment of the annual membership dues, if the criteria of this section were met prior to March 1, 2001; and
- 27.4 pay reduced annual membership dues in all other cases.
28. Members who have retired and have attained the age of 55 or more and whose:
- 28.1 gross annual income, excluding pension or other retirement income and investment income, is not greater than CAD 25,000; and
- 28.2 age and the total number of years of continuous membership in good standing held in the Institute and one or more provincial institutes or an accounting body recognized by the Council equals or exceeds the sum 85;
- shall:
- 28.3 be exempt from the payment of the annual membership dues, if the criteria of this section were met prior to March 1, 2001; and
- 28.4 pay reduced annual membership dues in all other cases.
29. Members who have retired-member status in another provincial institute or accounting body listed in Schedules A or B of Regulation 6-2 and have completed 15 years of continuous membership in good standing in the Institute shall:
- 29.1 be exempt from the payment of the annual membership dues, if the criteria of this section were met prior to March 1, 2001; and
- 29.2 pay reduced annual membership dues in all other cases.
30. A Life Member in the Institute shall be exempt from the payment of annual membership dues and any special purpose assessments levied by resolution of the Council, but not from any other dues.
31. A Member shall pay 50% of the full annual membership dues in respect of a fiscal year if, prior to August 31st of that year:
- 31.1 the Member ceases to reside in the Province of Ontario and becomes a Member of another provincial institute to which the Member pays that institute's full annual membership fee;
- 31.2 the Member's written application to resign from membership has been accepted by the Registrar;

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- 31.3 the Member meets the criteria of section 27 of this regulation; or
- 31.4 the Member was not a Member of the Institute.
- 32. Notwithstanding subsection 31.4, a Member shall be exempt from the payment of annual membership dues and any special purpose assessments levied by resolution of the Council, but not from any other dues if, during that fiscal year, the Member has both:
 - 32.1 passed the Uniform Evaluation; and
 - 32.2 been admitted to membership in the Institute.
- 33. The Registrar may waive or defer the payment by a Member of the annual membership dues and any special purpose assessments levied by resolution of the Council, but not any other dues, in extraordinary circumstances of financial hardship of a Member and in accordance with the policies of the Council passed from time to time.

Suspension and Revocation

- 34. The Registrar shall suspend the membership, registration or certificate of any person who has not paid any dues within four (4) calendar months of the date for payment set by the Institute.
- 35. Upon receipt of payment of the dues owed by a person, the Registrar may reinstate the membership, registration or certificate of that person.
- 36. Notwithstanding section 35, the Registrar shall revoke or terminate the membership, registration or certificate of any person who remains suspended pursuant to section 34 for a period of more than two (2) months, unless the person:
 - 36.1 is the subject of a practice inspection;
 - 36.2 is the subject of an investigation, proposed settlement agreement or Allegation by the Professional Conduct Committee; or
 - 36.3 has not fully complied with a settlement agreement or order of a Committee.

Appeals

- 37. A Member whose membership is suspended or revoked and a Student or Applicant who is deregistered may appeal the decision of the Registrar to the Membership Committee.
- 38. The parties to an appeal are the individual appealing and the Registrar.
- 39. The appeal shall be conducted in accordance with the Rules of Practice and Procedure.
- 40. The decision of the Membership Committee is final.

**THE INSTITUTE OF CHARTERED
ACCOUNTANTS OF ONTARIO**

**REGULATION 6-2
APPLICANT REGISTRATION**

**Adopted by the Council pursuant to the *Chartered Accountants Act, 2010*, and the
Bylaws on June 16, 2011, as amended on February 24, 2012.**

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**REGULATION 6-2
APPLICANT REGISTRATION**

Adopted by the Council pursuant to the *Chartered Accountants Act, 2010*, and the Bylaws on June 16, 2011, as amended on February 24, 2012.

Definitions

1. In this regulation, words have the same meaning as they do in the Act and bylaws; and
 - 1.1 “becoming a resident of Canada” means the date of landing in Canada as evidenced by government documentation;
 - 1.2 “Relevant Experience Requirement” means the successful completion of at least twelve years of work experience, including at least five years of senior-level experience, in accounting or business environment;
 - 1.3 “returning as a resident to Canada” means the date on which an individual re-acquires residency in Canada as defined in the *Income Tax Act*, or as evidenced by government documentation;
 - 1.4 “senior-level experience” means sufficient experience to support having the professional skills needed to handle complex issues proficiently and to be able to assume the degree of responsibility required of a Chartered Accountant.

Amended February 24, 2012

Registration

2. The Registrar shall register as an Applicant with the Institute anyone who:
 - 2.1 makes an application in Form 6-2A and pays the prescribed fee;
 - 2.2 provides proof of identity, including legal name, satisfactory to the Registrar;
 - 2.3 provides evidence of good character satisfactory to the Registrar;
 - 2.4 meets the requirements for one of the registration categories as set out in section 4;
 - 2.5 provides all information and produces all documents and other materials as requested by the Registrar or, in extraordinary circumstances where such documentation is not available, provides alternative proof satisfactory to the Registrar; and
 - 2.6 if seeking to be registered pursuant to section 4.3:
 - 2.6.1 has completed the Relevant Experience Requirement; and

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2.6.2 provides the name, business name and address and contact information of a sponsor and evidence satisfactory to the Registrar that the sponsor:

2.6.2.1 is a Member in good standing;

2.6.2.2 has been a member in good standing of one or more provincial institutes continuously for the immediate past 10 years;

2.6.2.3 is independent from the Applicant;

2.6.2.4 has known the Applicant for a minimum of two years; and

2.6.2.5 confirms the information provided by the Applicant.

Amended February 24, 2012

3. It is the responsibility of the Applicant to ensure the application is complete and accurate, and received by the Registrar.

Registration Categories

4. An individual who meets all the criteria of one of the subsections of this section meets the requirements of subsection 2.4:

4.1 ***U.S. CPA*** - an individual who:

4.1.1 is in good standing with a state board of accountancy listed in Schedule A;

4.1.2 holds a CPA certificate in good standing, and a licence or permit to practice if such is available in that jurisdiction, from that state board of accountancy;

4.1.3 was not registered with the Institute as a Student in the five years prior to, or at the time of, writing the first part of the uniform CPA examination; and

4.1.4 provides proof satisfactory to the Registrar of either:

4.1.4.1 having written all parts of the uniform CPA examination prior to becoming a resident of, or returning as a resident to, Canada and at least three years after not being a resident of Canada; or

4.1.4.2 having written at least one part of the uniform CPA examination while in a country other than Canada for at least 75% of the four years immediately preceding that examination.

4.2 ***Recognized Accounting Body*** - an individual who:

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- 4.2.1 is a member in good standing with an accounting body outside Canada listed in Schedule B and, at either or both the time of the termination of the membership and its commencement, the accounting body was recognized;
- 4.2.2 was not registered with the Institute as a Student in the five years prior to, or at the time of, writing any part of the normal qualifying examination(s); and
- 4.2.3 provides proof satisfactory to the Registrar of either:
 - 4.2.3.1 having written all parts of the normal qualifying examination(s) prior to becoming a resident of, or returning as a resident to, Canada and at least three years after not being a resident of Canada ; or
 - 4.2.3.2 having written at least one part of the normal qualifying examination(s) while in a country other than Canada for at least 75% of the four years immediately preceding that examination.
- 4.3 **Evaluation of Experience** – an individual who does not qualify for registration under section 4.1 or 4.2 and who is a member in good standing, having been admitted to membership on the basis of successful completion of the normal qualification requirements including the normal final examination(s), of one of the following:
 - 4.3.1 a state board of accountancy in the United States of America (Certified Public Accountant);
 - 4.3.2 a Recognized Accounting Body listed in Schedule B; or
 - 4.3.3 a Specified Accounting Body listed in Schedule D.

Amended February 24, 2012

- 5. An Applicant may only register in one registration category, and shall not also be registered as a Student at any time during the period of registration.

Amended February 24, 2012

Period of Registration

- 6. The date of registration shall be the date upon which the individual provides proof of compliance with the requirements of subsection 2.1 of this regulation.
- 7. The applicant shall have twelve months from the date of registration to complete all the requirements of section 2 of this regulation, and the Registrar shall deregister the Applicant if the requirements have not been met within that time, unless the Applicant has sought and received an extension of time from the Registrar.

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8. The Registrar may extend the registration under section 7 of this regulation in exceptional circumstances, and the Applicant shall, if an extension is granted, comply with section 9 of this regulation.
9. An Applicant shall renew registration on an annual basis by making an application for renewal in Form 6-2B and paying the prescribed fee, and providing all information and producing all documents and other materials as requested by the Registrar.
10. The Registrar shall suspend the registration of any Applicant who fails to comply with any provision of this regulation, or of the bylaws or regulations, and shall deregister an Applicant as required by the bylaws.
11. The Registrar shall deregister any Applicant whose registration has been suspended for a cumulative period of one year.
12. The Registrar shall deregister an Applicant on the fifth anniversary of that Applicant's initial date of registration or six months from the date the Applicant is informed all the requirements of this regulation have been fulfilled or on the date of the Applicant's fourth unsuccessful attempt of the CA Reciprocity Examination, Part I, whichever occurs first.
13. An Applicant who has been deregistered or whose registration has expired may apply for reregistration at any time after the first anniversary of the date of deregistration or expiry and upon complying with the requirements for registration in effect at the time of that application.
14. An Applicant shall not be reregistered except at the discretion of the Registrar, and such reregistration may be subject to terms and conditions imposed by the Registrar.
15. Notwithstanding sections 12 through 14, the Registrar shall deregister an Applicant registered pursuant to section 4.3 on the third anniversary of that Applicant's initial date of registration or on the date of the Applicant's second unsuccessful attempt at the Evaluation prescribed in section 18.3, whichever occurs first, and shall not reregister that Applicant under this regulation; however, the Registrar may, at his discretion and on such terms and conditions as he deems fit, register that Applicant as a Student subject to the requirements of Regulation 6-1.

Amended February 24, 2012

16. An Applicant who is reregistered or who is subsequently registered as a Student shall not retain credit for the fulfillment of any of the requirements of this regulation occurring during any other period of registration, except in the discretion of the Registrar.

Amended February 24, 2012

Completion of Program

17. Unless otherwise specified in this regulation, every Applicant shall complete the following during the period of registration in good standing:
- 17.1 Evaluation Requirement; and
 - 17.2 Practical Experience Requirement.

Evaluation Requirement

18. During the period of registration and not more than three years prior to applying for membership under Regulation 4-1:
- 18.1 every Applicant shall successfully complete the CA Reciprocity Examination, Part I;
 - 18.2 every Applicant who intends to apply for a public accounting licence under Regulation 9-1 after admission to membership shall successfully complete, in no more than four attempts, the CA Reciprocity Examination, Part II; and
 - 18.3 every Applicant registered pursuant to section 4.3 shall successfully complete the Evaluation approved by the Council.

Amended February 24, 2012

Practical Experience Requirement

19. Every Applicant other than an Applicant registered pursuant to section 4.3 shall provide proof of prior practical experience by completing Form 6-2C and providing further information and documents in support.

Amended February 24, 2012

20. The Registrar shall assess the proof of practical experience provided by the Applicant against the required competencies of an entry-level Chartered Accountant, as set out in Schedule C, on a substantial equivalency basis, and determine either that:
- 20.1 the Applicant has at least three years of practical experience and has achieved the Entry-Level Competencies set out in Schedule C of this regulation; or
 - 20.2 the Applicant must acquire further practical experience to complete the three years of practical experience or achieve one or more of the Entry-Level Competencies set out in Schedule C of this regulation.
21. The Registrar shall require the Applicant, if a decision is made under subsection 20.2 of this regulation, to complete a further period of practical experience of up to three years.

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22. The Registrar shall require the further period of practical experience required under section 21 of this regulation to be completed either:
 - 22.1 in the same form and manner, and be subject to the same constraints and prescriptions, as though it were a period of practical experience under Regulation 6-1; or
 - 22.2 under the supervision of a Member in good standing of the Institute.

Discretion and Appeals

23. In making any decision pursuant to this regulation, the Registrar shall act in accord with the Act, Bylaws, and regulations of the Institute and shall be guided by the policies and guidelines, if any, passed by the Council from time to time.
24. A decision of the Registrar not to register or reregister an individual as an Applicant or to deregister an Applicant may be appealed by the individual or Applicant to the Membership Committee.
25. The parties to an appeal are the individual appealing and the Registrar.
26. The appeal shall be conducted in accordance with the Rules of Practice and Procedure.
27. The decision of the Membership Committee is final.

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SCHEDULE A

Reciprocal State Boards of Accountancy

Alabama State Board of Public Accountancy
Arkansas State Board of Public Accountancy
California State Board of Accountancy (with additional proof of compliance with the 150 hour education requirement)
Delaware State Board of Accountancy
District of Columbia Board of Accountancy
Florida Board of Accountancy
Georgia State Board of Accountancy
Guam Board of Accountancy
Idaho State Board of Accountancy
Illinois Board of Examiners and Dept. of Financial & Professional Regulation
Indiana Board of Accountancy
Iowa Accountancy Examining Board
Kansas Board of Accountancy
Kentucky State Board of Accountancy
State Board of CPAs of **Louisiana**
Maine Board of Accountancy
Maryland State Board of Public Accountancy
Massachusetts Board of Public Accountancy
Michigan Board of Accountancy
Minnesota State Board of Accountancy
Mississippi State Board of Public Accountancy
Missouri State Board of Accountancy
Montana State Board of Public Accountants
Nebraska State Board of Public Accountancy
Nevada State Board of Accountancy
New Jersey State Board of Accountancy
New Mexico Public Accountancy Board
New York State Board for Public Accountancy
North Carolina Board of CPA Examiners
North Dakota State Board of Accountancy
Accountancy Board of **Ohio** (with additional proof of compliance with the 150 hour education requirement)
Oklahoma Accountancy Board
Oregon State Board of Accountancy
Pennsylvania State Board of Accountancy
South Carolina Board of Accountancy
South Dakota Board of Accountancy
Tennessee State Board of Accountancy
Texas State Board of Public Accountancy
Utah Board of Accountancy
Virginia Board of Accountancy
Washington State Board of Accountancy
West Virginia Board of Accountancy
Wisconsin Accounting Examining Board
Wyoming Board of Certified Public Accountants (with additional proof of compliance with the 150 hour education requirement)

Recognized Accounting Bodies

The Institute of Chartered Accountants of Australia (Note 1)
L'Institut des Réviseurs d'Entreprises de Belgique
The Institute of Chartered Accountants in England and Wales
Ordre des experts comptables de France
The Hong Kong Institute of Certified Public Accountants - having completed the Qualifying Program (Professional Program and Final Professional Examination) after January 1, 2002
The Institute of Chartered Accountants of Ireland
The Japanese Institute of Certified Public Accountants
Instituto Mexicano de Contadores Públicos (must have obtained the CPC designation)
The Netherlands Institute of Registered Accountants
New Zealand Institute of Chartered Accountants (Note 2)
The Institute of Chartered Accountants of Scotland
The South African Institute of Chartered Accountants (Note 3)
The Institute of Chartered Accountants of Zimbabwe - having registered in the Qualifying Program on or after January 1, 1996 (Note 4)

Note 1: ICAA members admitted after March 1992 who did not pass the professional advanced audit module are required to successfully complete an advanced auditing course that is acceptable to the ICAO if they intend to apply to practice public accounting.

Note 2: NZICA members admitted from 1977 onwards without passing the Professional Competence Examination must have five years of post-qualification public practice experience.

Note 3: SAICA members who qualified after November 1998 are required to successfully complete an advanced auditing course that is acceptable to the ICAO if they intend to apply to practice public accounting.

Note 4: ICAZ members who qualified after January 1, 1996 are required to successfully complete an advanced auditing course that is acceptable to the ICAO if they intend to apply to practice public accounting.

**GUIDELINES:
ASSESSMENT OF COMPETENCIES OF APPLICANTS**

Pursuant to Section 20 of Regulation 6-2, the Registrar shall assess the proof of practical experience provided by the Applicant against the required competencies of an entry-level Chartered Accountant. The determination to be made by the Registrar is whether the Applicant has acquired as a result of his or her previously acquired experience in accounting, the competency development required for the entry-level CA at the time of admission to membership in the Institute.

The Registrar's determination shall be based upon an assessment of the totality of the Applicant's previous professional accounting experience completed for the purpose of qualifying for admission to membership in the particular accounting body and subsequent to admission to membership in that body. The assessment should take into account:

- the Applicant's depth and breadth of competency development;
- the duration of the period(s) of accounting experience (i.e. the number of months or years);
- the nature of the place(s) of employment or practice in which the accounting experience was obtained;
- the position(s) held by the applicant; and
- the progression of the applicant's career in professional accounting.

Depth and breadth of competency development

The entry-level competencies are grouped into the following six categories:

- Performance Measurement and Reporting
- Assurance
- Taxation
- Governance, Strategy and Risk Management
- Management Decision-Making
- Finance

Depth of competency development must be demonstrated in any one of the competency areas. Breadth of competency development must be demonstrated in two areas.

Depth

To meet the *depth* of competency development requirement, an applicant must satisfy the Registrar that he or she:

- has gained sufficient direct working experience in all or most of the specific competencies listed for any one of the competency areas
- if depth is achieved in any one of the following areas:
 - Taxation
 - Governance, Strategy & Risk Management
 - Management Decision-Making

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- Finance
one of the breadth areas **must** be in Performance Measurement & Reporting. Within this breadth area, Level Two proficiency (see below) must be achieved in the following three specific competencies:
 - Evaluates the impact of alternative and/or new accounting standards/policies
 - Reviews, proposes or accounts for the entity's transactions, including complex transactions
 - Prepares and/or reviews financial statements and accompanying notes
- has demonstrated an awareness of emerging topics in his or her areas of depth, either independently or as part of a team with little direction or supervision

For qualifying practical experience in an area of depth, an applicant must demonstrate a Level 2 proficiency in the majority of the competencies in the area, and a Level 1 proficiency in the balance of the depth requirement.

Breadth

To meet the *breadth* of competency development requirement, an applicant must satisfy the Registrar that he or she has gained sufficient direct working experience in at least half of the specific competencies listed in two of the other competency areas, excluding the competency that fulfills the depth of competency requirement, and demonstrate the ability to work at a Level 2 proficiency in at least half of those.

Proficiency levels

For the purposes of demonstrating depth and breadth of competency development, the *proficiency levels* are as follows:

Level 1 (works under supervision): The Applicant has the basic knowledge and skill required to complete the task assigned but does not complete the task without supervision or assume responsibility for its execution. The Applicant requires supervision and direction in completing the tasks as he/she begins applying their education to practice.

Level 2 (works independently): The applicant can apply the underlying knowledge and skill in a practical setting and is able to complete tasks independently or as part of a team with minimal direction or supervision. The Applicant assumes responsibility for execution of the task and performs all work with diligence and due care. The Applicant treats each situation as an opportunity to further develop their professional judgement and/or expand their knowledge base.

Duration of professional accounting experience

The *duration of professional accounting experience* required for admission to membership in the Institute is a minimum term of three years of experience acceptable to the Institute. An Applicant who has not obtained at least three years of previous professional accounting experience acceptable to the Institute is required to fulfill a period of experience in accounting as prescribed by the Registrar such that the applicant

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will have obtained by the date of admission to membership in the Institute an amount of acceptable accounting experience that in aggregate is at least three years in duration.

Nature of the place(s) of employment or practice

The factors that should be considered by the Registrar in respect of the *nature of the place of employment or practice* are:

- As applicable,
 - The nature or line of business (for example, financial services, manufacturing, natural resources, retailing, information technology) and examples of the major clients, customers or recipients of the products or services, or
 - The nature of the professional services provided, including whether the services were public accounting or related areas (for example, assurance/attestation, taxation, advisory services) and examples of the major clients, customers or recipients of the products or services
- The size of the business or practice, with reference to such matters as total number of staff, number of partners, total annual revenues or budget
- The corporate structure (e.g. for-profit corporation, not-for-profit corporation, public sector/governmental organization, academic institution, partnership, proprietorship) and in respect of a corporate entity, whether it is/was a publicly listed or publicly traded entity or a privately owned/not publicly listed entity.

The position(s) held by the applicant

In respect of the *positions(s) held by the Applicant*, the Registrar should consider:

- the title of each position held;
- the level or seniority of the position within the place of employment or practice, with reference to such matters as to whom (position) the Applicant directly reported or was accountable and the placement of such position within the overall management or governance structure;
- the breadth and complexity of the responsibilities assigned to the Applicant in the position held;
- the breadth and depth of competency development during the period in which the Applicant held the position.

The progression of the applicant's career in professional accounting

Position-specific indicators that should be considered by the Registrar when determining an Applicant's progression through his or her career in professional accounting include demonstration of work functions or the provision of professional services in defined positions that:

- require increasing competency development;
- require the ability of the applicant to handle increasingly complex tasks;
- involve increasing levels of responsibility;
- provide increased ability and opportunity to supervise, manage and mentor others and decreased level of supervision of the applicant throughout his or her career path, which may be measured by
 - number of supervisors;
 - number of direct reports;
 - changes in position or job titles;

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- changes to job responsibilities and accountabilities;
- provide opportunities for the applicant to learn from supervisors who are deemed experts in their field (exposed to or mentored by other professionals).

Progression to successively more senior positions and/or demonstration of progressively higher levels of proficiency over the course of the Applicant's employment or practice with a particular entity or throughout the Applicant's total period(s) of accounting experience should also ordinarily indicate greater breadth and depth of competency development. An Applicant who has achieved through their previous employment or practice a position or level as a partner, senior executive, director or officer should ordinarily be considered to have achieved a higher level of proficiency as well as greater breadth and depth of competency development than an Applicant who would have held a less senior position.

SCHEDULE D

SPECIFIED ACCOUNTING BODIES

- The Association of Chartered Certified Accountants (United Kingdom)
- The Australian Society of Certified Practising Accountants
- The Institute of Chartered Accountants of India
- The Institute of Chartered Accountants of Pakistan

Amended February 24, 2012

**THE INSTITUTE OF CHARTERED
ACCOUNTANTS OF ONTARIO**

**REGULATION 9-1
PUBLIC ACCOUNTING LICENSING**

**Adopted by the Council pursuant to the *Chartered Accountants Act, 2010*, and the
Bylaws on June 16, 2011
as amended on June 20, 2012.**

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**REGULATION 9-1
PUBLIC ACCOUNTING LICENSING**

**Adopted by the Council pursuant to the *Chartered Accountants Act, 2010*, and the
Bylaws on June 16, 2011
as amended on June 20, 2012.**

Definitions

1. In this regulation, words have the same meaning as they do in the Act and bylaws and:
 - 1.1 “chargeable hours” are hours normally chargeable to clients of a public accounting practice, provided that work of a routine clerical nature shall not be included in the computation of chargeable hours;
 - 1.2 “Continuing Professional Development Requirement” means that the Member fulfilled a minimum of 20 hours annually, and 120 hours in the last three year period, of mandatory continuing professional development in activities directly related to the competencies needed to provide public accounting services. Fifty percent of the annual and triennial hours must be verifiable;
 - 1.3 “CPAB” means the Canadian Public Accountability Board;
 - 1.4 “Current Competency Requirement” means that the Member successfully completed, not more than 36 months prior to the date of application, a period of at least 12 months of public accounting services under the supervision of a licensee who will provide the Institute with a certificate of such completion, and successfully completed the Public Accounting Licensing Examination;
 - 1.5 “designated services” are services that require competencies that are complementary to those required to provide public accounting services, namely:
 - 1.5.1 taxation services related to assessing the appropriateness of taxation provisions and related financial reporting;
 - 1.5.2 performance measurement relating to the evaluation, development and interpretation of an entity’s financial and nonfinancial information that measures and enhances an entity’s organizational performance;
 - 1.5.3 forensic accounting;
 - 1.5.4 research on the interpretation or application of the accounting and assurance standards set out in the *CICA Handbook – Accounting* and *CICA Handbook – Assurance* or on professional standards;
 - 1.5.5 financial reporting involving the review of accounting principles and financial statement disclosure and the appropriateness of

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- internal controls for the purpose of presenting fairly the financial statements of an entity;
- 1.5.6 corporate finance services related to assisting a client in obtaining financing by explaining the financial statements to a financial institution, and assisting a client in analyzing the accounting effects of certain transactions;
 - 1.5.7 research conducted for, or advice given to, assurance clients on matters related to assurance engagements;
 - 1.5.8 training of other accountants or staff of the practice or firm in respect of the performance of assurance services where such training is an ongoing responsibility of the Member.
- 1.6 “eligible hours” are:
- 1.6.1 chargeable hours acquired as a result of participating in a recognized capacity in providing public accounting services; and
 - 1.6.2 other hours acquired in designated services;
- 1.7 “immediate past five years” means the five years preceding the date the application for issuance or renewal of a public accounting licence was received by the Institute;
- 1.8 “participated in a recognized capacity in providing public accounting services” means one or more of the following:
- 1.8.1 each member of a firm or practising office who directly participates in a public accounting engagement, including any related subsidiary engagement, as a member of the engagement team;
 - 1.8.2 each member of a firm or practising office who can directly influence the outcome of a public accounting engagement, such as members who provide:
 - 1.8.2.1 consultation regarding professional standards;
 - 1.8.2.2 consultation or opinions regarding taxation provisions or other technical or industry-specific issues, transactions or events;
 - 1.8.2.3 quality control reviews;
 - 1.8.3 a practice inspector appointed by the Institute or by CPAB to conduct practice inspections of licensees, firms and practising offices; and
 - 1.8.4 for the purposes of licence renewal only, each member of a firm or practising office who has responsibility for the entire public

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accounting engagement, who has direct supervision, management or oversight of the leadership of the engagement teams(s) or completes a second partner review;

- 1.9 “Practice Inspection Requirement” is fulfilled if the Member, within the immediate past five years:
- 1.9.1 participated in a recognized capacity in public accounting services in a practising office that has been the subject of a practice inspection resulting in a determination that the practice’s quality control system, current engagement files, and related financial statements adhere to professional standards contained within the *CICA Handbook* and other professional standards established by the Institute;
 - 1.9.2 participated in a recognized capacity in public accounting services in a practising office located outside of Canada that has been the subject of a practice inspection satisfactory to the Institute by the applicable regulatory authority resulting in a determination that the practice’s quality control system, current engagement files, and related financial statements adhere to internationally recognized standards which the Institute recognizes as substantially equivalent to the professional standards contained in the *CICA Handbook* and other standards established by the Institute;
 - 1.9.3 is an employee, partner or sole proprietor of a newly established or soon-to-be established practising office or of an established practising office that has not been the subject of a practice inspection; in which case the Member shall be eligible to be granted a licence if he or she has satisfied the Public Accounting Licensing Board that he or she has successfully completed all of the other requirements and shall hold such licence, if granted, on the condition that the firm or practising office is the subject of a practice inspection not later than 12 months following the date of issuance of the licence and the inspection results in a determination that the practice’s quality control system, current engagement files, and related financial statements adhere to professional standards contained within the *CICA Handbook* and other professional standards established by the Institute; or
 - 1.9.4 is a practice inspector appointed by the Institute or by CPAB to conduct practice inspections of licensees, firms and practising offices;
- 1.10 “practising office” includes the national or head office of a public accounting firm that has been accepted by the CPAB as a participating audit firm in its oversight program, whether or not the office has been the subject of a practice inspection;

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- 1.11 “Professional Experience Requirement” means that a Member participated in a recognized capacity in public accounting services and, within the immediate past five years, obtained a minimum of 2,500 hours consisting of:
- 1.11.1 a minimum of 1,250 eligible hours in public accounting services;
and
 - 1.11.2 up to 1,250 eligible hours in designated services;
- 1.12 “Public Accounting Licensing Examination” means the examination established by the Institute on the accounting and assurance standards set out in the *CICA Handbook – Accounting* and *CICA Handbook – Assurance*, the Rules of Professional Conduct, taxation and business law;
- 1.13 “public accounting services” are the services described in ss. 2 and 3 of the *Public Accounting Act, 2004*;
- 1.14 “Qualifying Experience Requirement” means the successful completion of a minimum of two years of prescribed public accounting experience in a training office, which experience shall be completed under the direct supervision of a Member who is licensed to practice public accounting and shall include at least:
- 1.14.1 1,250 chargeable hours in assurance services, of which at least 625 chargeable hours shall be in audit engagements and 100 chargeable hours of review procedures in review and other assurance engagements; and
 - 1.14.2 100 chargeable hours in taxation services;
- 1.15 “sole shareholder professional corporation” means a professional corporation, as defined in section 3.1 of the *Ontario Business Corporations Act*, which has only one Member shareholder.

New Licence

2. A Member who has never held a public accounting licence or whose licence has lapsed or expired is eligible to be issued a public accounting licence, pursuant to bylaw 9.3, upon:
- 2.1 making an application in Form 9-1A for a licence and paying the prescribed fee;
 - 2.2 satisfying the Public Accounting Licensing Board of good character;
 - 2.3 if the Member became a Member of the Institute after October 31, 2006 and became a Member through registration as a Student pursuant to Regulation 6-1 or its predecessor:
 - 2.3.1 and the registration as a Student was in the Accounting Body Outside Canada – Specified category:

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- 2.3.1.1 having successfully completed the requirements of the Core Knowledge Examination and the School of Accountancy; and
- 2.3.1.2 having completed a period of not less than two years providing public accounting services;
- 2.3.2 in all other cases completing, or having completed while a Student, the Qualifying Experience Requirement;
- 2.4 if the Member became a Member of the Institute pursuant to Regulation 6-2 or its predecessor, and unless otherwise prohibited by Regulation 6-2, upon successfully completing, or having successfully completed prior to admission, the CA Reciprocity Examination, Parts I and II;

Amended June 20, 2012.

- 2.5 completing the Continuing Professional Development Requirement;
- 2.6 completing the Practice Inspection Requirement; and
- 2.7 completing either the Professional Experience Requirement or the Current Competency Requirement.

Amended February 24, 2012

Licence Renewal

- 3. A Member who holds a public accounting licence is eligible to renew that licence, pursuant to bylaw 9.4, upon:
 - 3.1 making an application or re-application in Form 9-1B for a licence renewal and paying the prescribed fee;
 - 3.2 completing the Continuing Professional Development Requirement;
 - 3.3 completing the Practice Inspection Requirement; and
 - 3.4 completing the Professional Experience Requirement.
- 4. Notwithstanding section 3, a Member shall not be eligible to renew a licence if:
 - 4.1 the Member fails to apply to renew the licence prior to expiry;
 - 4.2 the rights and privileges of the Member are suspended;
 - 4.3 the public accounting licence is suspended or has been revoked; or
 - 4.4 the Member held a licence issued by another authorized designated body under the *Public Accounting Act, 2004*, and such licence was suspended or revoked and has not been reinstated by the other authorized designated body.

Discretion of the Public Accounting Licensing Board

5. Except as provided in sections 6 and 7, the Public Accounting Licensing Board shall not issue or renew a public accounting licence unless the Member meets the requirements of sections 2 through 4.

Amended December 1, 2011

6. In exceptional circumstances, and only if it is satisfied the exceptional circumstances of the Member will not continue beyond a period of two years from the date of the application for a licence or renewal, the Public Accounting Licensing Board may issue or renew a public accounting licence to a Member who:

6.1 has met all the relevant requirements of this regulation with the exception of the Professional Experience Requirement; and

6.2 has demonstrated the required capabilities, competence and current skills to provide public accounting services.

Amended December 1, 2011

7. Notwithstanding section 6, the Public Accounting Licensing Board may renew a public accounting licence to a Member who:

7.1 has met all the relevant requirements of this regulation with the exception of the Professional Experience Requirement;

7.2 has demonstrated the required capabilities, competence and current skills to provide public accounting services; and

7.3 has a practice comprised substantially of one or more of the following:

7.3.1 responsibility for the entire public accounting engagement of a firm or practising office;

7.3.2 completion of second partner reviews;

7.3.3 responsibility for the direct supervision, management or oversight of the leadership of the engagement team(s) that are significantly more than strictly administrative in nature and include such functions as reviewing assurance files of major clients or high-risk clients, interpretation or application of either or both of Generally Accepted Accounting Principles and Generally Accepted Assurance Standards or on professional standards, or advice given to assurance clients on matters related to assurance engagements.

Amended December 1, 2011

8. The Public Accounting Licensing Board shall document in writing its reasons for issuing or renewing any licence pursuant to section 6 or 7, and shall report as required to the Public Accountants Council for the Province of Ontario.

Amended December 1, 2011

Certificates of Authorization

9. A professional corporation is eligible to be issued a certificate of authorization, pursuant to bylaw 9.6, if the corporation:
 - 9.1 is registered in good standing with the Institute in accordance with bylaw 4.16;
 - 9.2 makes an application for a certificate in Form 9-1C and pays the prescribed fee;
 - 9.3 files a copy of the articles of incorporation and any articles of amendments; and
 - 9.4 satisfies the Institute that the corporation:
 - 9.4.1 meets all of the requirements of a professional corporation under section 3.1 of the Ontario *Business Corporations Act*, the *Chartered Accountants Act, 2010* and any regulations made under those Acts; and
 - 9.4.2 maintains professional liability insurance coverage in accordance with requirements of Regulation 4-4.
10. A professional corporation is eligible to renew a certificate of authorization, pursuant to bylaw 9.6, if the corporation:
 - 10.1 prior to the date upon which the certificate expires, makes an application in Form 9-1D for a certificate renewal and pays the prescribed fee; and
 - 10.2 satisfies the Institute that the corporation continues to meet all the requirements for issuance of a certificate set out in section 9.
11. A certificate of authorization that has expired cannot be renewed; however, a professional corporation may apply for a new certificate of authorization pursuant to section 9.

Form of Licence and Certificate

12. Every public accounting licence or certificate of authorization issued or renewed by the Institute shall:
 - 12.1 be numbered;
 - 12.2 bear the date upon which it is issued or renewed;
 - 12.3 bear the date on which it expires; and
 - 12.4 be effective from the date upon which it is issued or renewed until the date it expires, unless earlier suspended or revoked.

Disclosure of Status

13. On any statement or report that is in respect of an assurance engagement, or a compilation engagement for which it can reasonably be expected that all or any portion of the compilation or associated materials prepared by the Member providing the service will be relied upon or used by a third party, when the report for the engagement is issued or the work for the engagement is primarily performed in Ontario:
- 13.1 A Member who is licensed as a public accountant shall use the term "Licensed Public Accountant" or the initials "LPA", following the licensee's legal name and the designation "Chartered Accountant" or the initials "CA";
- 13.2 A professional corporation that holds a certificate of authorization to practice public accounting shall use the term "Authorized to practice public accounting by the Institute of Chartered Accountants of Ontario"; and
- 13.3 A firm, other than a professional corporation, shall use the term "Licensed Public Accountants" or the initials "LPA", following the designation "Chartered Accountants".
14. Only the lead engagement person responsible for signing a statement or report for a public accounting engagement must hold a public accounting licence. Other members of the engagement team, including the engagement quality control reviewer or other experts may be, but are not required to be, licensed.

Suspension or Revocation of Public Accounting Licence

15. A public accounting licence shall be immediately suspended upon the rights and privileges of the Member being suspended for any reason. The licence will be reinstated upon the rights and privileges of the Member in the Institute being reinstated, unless the licence has expired or been otherwise suspended or revoked.
16. A public accounting licence shall be immediately revoked upon the revocation of membership of a Member.

Suspension or Revocation of Certificate of Authorization

17. The certificate of authorization issued to a sole shareholder professional corporation shall be suspended immediately upon:
- 17.1 the membership of the shareholder being suspended for any reason; or
- 17.2 the public accounting licence of the shareholder expiring or being suspended for any reason,

and shall be reinstated upon the reason for the suspension ceasing to exist, unless the certificate has expired or been otherwise suspended or revoked.

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18. A professional corporation shall return its certificate of authorization to the institute forthwith upon notification of suspension and is not entitled to apply for the issuance or renewal of the certificate during the period of suspension.
19. A certificate of authorization issued to a sole shareholder professional corporation shall be revoked upon the shareholder's membership being revoked.

Public Accounting Licensing Board

Structure of the Board

20. The Public Accounting Licensing Board (the "Board") shall consist of between five (5) and eight (8) members, including no less than two public representatives. The members of the board shall generally be representative of the Institute's membership by occupation and geographic location.
21. The members of the Board shall be appointed for an initial one year term. Members are eligible for reappointment for three additional three year terms and, thereafter, on an annual basis.
22. The quorum for the Board shall be three members, one of whom shall be a public representative.
23. Members of the Board may continue to serve on the Board until a successor is appointed.

Meetings of the Board

24. The Board shall meet monthly, on a date fixed by the chair.
25. Unless ordered otherwise by the chair, the meetings of the Board may be held by telephone conference.

Responsibilities of the Board

26. The Board shall be responsible for matters relating to public accounting licences, certificates of authorization and the practice of public accounting, including but not limited to, overseeing the Institute's licensing standards, responsibilities, functions and processes.

Powers of the Board

27. The Board shall have the power to:
 - 27.1 decide applications from Members for public accounting licences;
 - 27.2 decide applications from professional corporations for certificates of authorization;
 - 27.3 decide applications and re-applications for renewal of public accounting licences and certificates of authorization;

27.4 refer matters or applications to the Registrar or a Committee; and

27.5 receive, for the record, notices of revocation of public accounting licences and certificates of authorization.

Amended February 24, 2012

Deferral and Denial

28. The Board may defer consideration of and shall not issue a public accounting licence to a Member:

28.1 while the conduct of the Member is the subject of an investigation by the Professional Conduct Committee, unless that Committee advises that the nature or circumstances of the investigation would not put at risk or would not appear to put at risk any member of the public, the reputation of the profession or the ability of the profession to serve the public interest;

28.2 if the Professional Conduct Committee refers any matter regarding the conduct of a Member to the Discipline Committee and, in the opinion of the Board, the nature of or circumstances surrounding the complaint or settlement would put at risk or appear to put at risk any member of the public, the reputation of the profession or the ability of the profession to serve the public interest if the Member were to be granted a public accounting licence;

28.3 who held a public accounting licence previously and such licence was revoked by order of the Discipline or Appeal Committees, unless the relevant committee advises the Board that the Member has successfully met PAC Standard 15(2);

28.4 who is the subject of a settlement agreement or an order of the Discipline or Appeal Committees and the Member has not fully complied with the agreement or order; or

28.5 who is the subject of an ongoing investigation or order of the Capacity Committee.

Amended February 24, 2012

29. The Board shall not issue or renew a public accounting licence of a Member whom the Board has reason to believe will not practice public accounting or will not perform public accounting services in accordance with the *Public Accounting Act, 2004* or the bylaws, regulations or Rules of Professional Conduct.

Request for Review

30. A Member or professional corporation may request a decision of the Board under section 27 be reviewed by the Membership Committee.

Reconsideration

31. The Board shall reconsider all matters referred back to it by the Membership Committee, taking into account the following:

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- 31.1 all information available to the Board at the time of the original consideration;
 - 31.2 any further information available at the time of the reconsideration; and
 - 31.3 any directions or guidance given by the Membership Committee.
32. The Board has the power to confirm, vary or reverse its original decision.
33. The decision of the Board on reconsideration is final.

Power to Refer

34. Upon the Board becoming aware of any act, omission, or matter that the Registrar or a Committee is empowered to consider, investigate or enquire into, the Board shall:
- 34.1 bring such act, omission, or matter to the attention of the relevant body; and
 - 34.2 provide any information or documentation that the Board has received or obtained, and any minutes or other documents of the Board.

Powers on Report from Practice Inspection

35. On receipt of a report made by the Practice Inspection Committee or its delegate pursuant to Regulation 10-1, the Board may inquire, or direct the Registrar to inquire, into any issue raised in that report and whether the requirements of this Regulation have been met.
36. The Board shall provide to the Member or professional corporation notice of the enquiry, a brief description of the issue that arose from the practice inspection, a description of the result of any inquiries made by Registrar or Board and invite written submissions from the Member or the professional corporation.
37. The Member or professional corporation shall file written submissions, if any, with the Board within 15 days of receiving notice of the enquiry.
38. If the Board remains unsatisfied after the enquiry and the submission, the Board has the power to:
- 38.1 suspend the licence or the certificate of authorization until such time as any identified deficiency, error or other matter that led to the suspension is rectified;
 - 38.2 make a complaint to the Professional Conduct Committee regarding the conduct of the Member, firm, or professional corporation including, but not limited to:
 - 38.2.1 misrepresentations or fraudulent statements made on an issuance or renewal application for a public accounting licence or certificate of authorization;
 - 38.2.2 misrepresentations or fraudulent statements made to the Board, the Membership Committee, the Institute or any members, directors, officers, and employees thereof; or

38.2.3 engaging in the practice of public accounting without a valid licence or certificate of authorization.

Membership Committee

Structure of the Committee

39. The Membership Committee shall consist of fifteen to twenty (15 to 20) members, including a Chair, two (2) Deputy Chairs, and three to four (3 to 4) public representatives. The members of the Committee shall generally be representative of the Institute's membership by occupation and geographic location, and shall include public accounting licensees.

Term of Office

40. Members of the Membership Committee shall be appointed for an initial one year term. Members are eligible for reappointment for three additional three year terms and, thereafter, on an annual basis.

41. The Chair and Deputy Chairs of the Committee shall be appointed for a term of two years. They are each eligible for reappointment, thereafter, on an annual basis.

42. Any member, whose term of office would otherwise expire, shall remain a member of the Committee until such time as all hearings over which he or she is presiding and matters ancillary to such hearings have been concluded.

Quorum

43. The quorum for the Membership Committee shall be three members and, for matters considered under this regulation, shall include expertise in public accounting and a public representative.

Licensing Jurisdiction

44. The Membership Committee shall consider in respect of public accounting licensing matters:

44.1 any application for a licence from a Member where the good character of the Member must be determined by means of a hearing;

44.2 any application for a licence from a Member in respect of whom the Board has directed that a hearing be held to determine whether the Member has fulfilled the qualifications to be licensed as set out in the *Public Accounting Act, 2004*, the regulations and PAC Standards made under that Act and in the bylaws or regulations;

44.3 any application for a public accounting licence from a Member who is licensed to practice public accounting in a jurisdiction outside Ontario; and

44.4 any other matter related to public accounting licensing that is referred to it by the Council or by the Board.

Review Jurisdiction

45. The Membership Committee shall have the power to consider requests for review of decisions of the Board made pursuant to section 27.
46. On a review, the Membership Committee shall have the power to refer an application back to the Board for reconsideration if the Committee determines that one or more of the following circumstances exists:
- 46.1 the Board failed to follow appropriate procedures in arriving at its decision;
 - 46.2 there is reason to suspect a lack of independence on the part of any member of the Board who participated in the decision; or
 - 46.3 the Board did not give due consideration to all of the evidence available in arriving at its decision.
47. The decision of the Membership Committee on a review is final.

Appeal Jurisdiction

48. A Member or professional corporation may appeal a decision of the Membership Committee made pursuant to section 44.
49. No member of the Membership Committee who participated in the deliberations or decision in a matter shall participate in the appeal of that matter.
50. A decision of the Membership Committee on an appeal is final.

Procedure before the Membership Committee

51. All proceedings before the Membership Committee shall be conducted in accordance with the Rules of Practice and Procedure with necessary modifications thereto.
52. All proceedings before the Membership Committee shall be in writing unless ordered otherwise.
53. The parties to a proceeding before the Membership Committee shall be the applicant and the Institute.

reason for making allegations against the firm. In other circumstances, the accountability will rest with identifiable departments or units within a firm, or with a firm's executive committee, management committee or equivalent group.

Interpretation of the rules of professional conduct

In interpreting the rules, they are to be read in light of the Foreword to the rules and the definitions in and provisions of the bylaws of the Institute.

100 – GENERAL

101 Compliance with bylaws, regulations and rules

Members, students and firms shall comply with the bylaws, regulations and rules of professional conduct of the Institute as they may be from time to time and with any order or resolution of the Council or officers of the Institute under the bylaws.

102.1 Conviction of criminal or similar offences

A member, student or firm who has been:

- (a) convicted of an offence of fraud, theft, forgery or tax evasion, or is convicted of an offence of conspiring or attempting to commit such offences; or
- (b) found guilty of violating the provisions of any securities legislation; or
- (c) convicted of any criminal or similar offence for conduct in or relating to their professional capacity, or for conduct in circumstances where there was reliance on their membership in or association with the Institute; or
- (d) discharged absolutely or upon condition after pleading guilty to or being found guilty of an offence described in (a), (b) or (c) above

shall promptly inform the Institute of the fact of the conviction, finding of guilt or discharge, as the case may be, when the right of appeal has been exhausted or expired.

.2 Reporting disciplinary suspension, expulsion or restriction of right to practise

When, through the disciplinary process of another provincial institute:

- (a) a member is suspended or expelled from membership in that institute; or

- (b) a member's or firm's right to practise is restricted by that institute,

the member or firm shall promptly inform the Institute of the fact of the suspension, expulsion or practice restriction.

103 False or misleading applications

- (a) A member or student or any person who applies to become a member or student shall not sign or associate himself or herself with any letter, report, statement or representation relating to the application for admission or re-admission to membership, or relating to the application for registration or re-registration as a student, which the applicant knows, or should know, is false or misleading.
- (b) A member who applies to be licensed as a public accountant or a licensee who applies to have a licence renewed shall not sign or associate with any letter, report, statement or representation relating to the application to be licensed or to have a licence renewed which the applicant knows, or should know, is false or misleading.

104 Requirement to co-operate

104.1 A member, student or firm shall co-operate with the regulatory process of the Institute.

- .2** A member, student or firm shall
 - (a) promptly reply in writing to any communication from the Institute in which a written reply is specifically requested;
 - (b) promptly produce documents when required to do so by the Institute;
 - (c) attend in person in the manner requested when required to do so by the Institute in relation to the matters referred to in Rule 104.1.

105 Hindrance, inappropriate influence and intimidation

105.1 A member, student or firm shall not, directly or indirectly hinder any regulatory process of the Institute or otherwise attempt to exert inappropriate influence or pressure on the outcome of a regulatory matter of the Institute.

- .2** A member, student or firm shall not threaten or intimidate a complainant, witness, or any other person related to a regulatory matter of the Institute nor shall a member, student or firm threaten or intimidate officers, staff, volunteers or agents of the Institute acting on behalf of the Institute.

CI 105 – Hindrance, inappropriate influence and intimidation

Rule 105

105.1 A member, student or firm shall not, directly or indirectly hinder any regulatory process of the Institute or otherwise attempt to exert inappropriate influence or pressure on the outcome of a regulatory matter of the Institute.

.2 A member, student or firm shall not threaten or intimidate a complainant, witness, or any other person related to a regulatory matter of the Institute nor shall a member, student or firm threaten or intimidate officers, staff, volunteers or agents of the Institute acting on behalf of the Institute.

- 1** Rule 105.1 which prohibits hindering or otherwise exerting inappropriate influence on the outcome of a specific regulatory matter, explicitly includes a reference to “inappropriate influence or pressure”. The rule is not intended to prevent members, students or firms from taking appropriate steps to advocate for or defend themselves or another member, student or firm before the appropriate regulatory decision-making body within the Institute or the courts. Further, another member, student or firm may act as an expert or other witness, provide letters of reference, or appear before the appropriate regulatory decision-making body within the Institute as the representative of the member, student or firm.
- 2** Without limiting the generality of the rule, in particular, when a complaint has been made against a member, student or firm, the requirements of Rule 105.2 apply to any communication that the member, student or firm has with the complainant. Any such communication must meet the requirements of Rule 105.2 and should ordinarily be limited to only those matters that must be addressed to continue to serve the interests of the complainant.

CI 201.1 - MAINTENANCE OF REPUTATION OF PROFESSION

Rule 201.1

A member, student or firm shall act at all times in a manner which will maintain the good reputation of the profession and its ability to serve the public interest.

Compliance with regulatory legislation

- 1 Provincial as well as federal legislation often requires licensing and may govern activities involving public accounting, dealing in securities, mortgage brokering, real estate brokering, practising law, acting as an employment agency, and handling trust monies.
- 2 A member or firm should be cognizant of and comply with the provisions of any federal and provincial legislation regulating activities in the various service areas of the member's or firm's public practice.
- 3 A member or firm not engaged in public practice should be cognizant of and comply with the provisions of any legislative requirements pertaining to the member's or firm's activities.
- 4 In Ontario, various pieces of legislation have application to a member's activities. The most notable example is the *Public Accounting Act, 2004*.

Public Accounting Act, 2004

All members and firms who are engaged in the practice of public accounting in Ontario, whether full or part-time, should be familiar with the provisions of the *Public Accounting Act, 2004* and the public accounting licensing requirements set out in the Institute's Bylaws and Regulations.

Criticism of a professional colleague, firm or other public accountant

- 5 In the course of professional work, a member or firm may on occasion criticize a professional colleague, firm or other public accountant; such criticism may be direct, or may be implied by material adjustments to a client's accounts considered necessary to correct work performed by the professional colleague, firm or other public accountant. It may be, however, that there are facts or explanations known to the professional colleague, firm or other public accountant concerned which could have a bearing on the matter.