



BY-LAWS

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Under the authority of Section 9 of the
Chartered Accountants Act, 2008

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100 GENERAL PROVISIONS

101 Former By-laws Repealed but Actions Commenced There under Still Valid

The By-laws of the Institute existing immediately before these By-laws take effect are repealed, provided that repeal of such By-laws shall not affect their previous operation nor that of any rules, regulations or procedures made pursuant thereto or any right, privilege, liability or obligation acquired, accrued, accruing or incurred under the repealed By-laws or under any rules, regulations or procedures made pursuant thereto; and any investigation, proceeding or remedy relating to disciplinary matters arising previous to the coming into force of these By-laws may be instituted, continued or enforced and any penalty or punishment may be imposed as if the repealed By-laws, rules, regulations and procedures had not been so repealed.

The repeal of any of the provisions of the By-laws, or of the rules of professional conduct or of any regulations or procedures made pursuant thereto, shall not, unless otherwise expressly provided, affect their previous operation nor any right, privilege, liability or obligation acquired, accrued, accruing or incurred under any such repealed provisions; and any investigation, proceeding or repeal of any such provisions may be instituted, continued or enforced and any penalty or punishment may be imposed as if the said provisions had not been so repealed.

102 Definitions

In these By-laws:

- (a) "Act" means The Chartered Accountants Act, 2008, as amended and in force from time to time;
- (b) "Active earnings criteria" means the threshold applicable for purposes of determining a member's eligibility for retirement, medical, family leave or other fee waivers. To meet the active earnings criteria a member does not anticipate being gainfully employed for the April 1 to March 31 membership year such that active earnings from all types of employment or business will not exceed a minimum as prescribed by the Board from time to time. Active earnings include all earnings from employment, business, professional corporations and director's fees, but exclude investment and pension income, employment insurance benefits related to disability claims, disability income and maternity benefits.
- (c) "Advertise" means the making by or on behalf of a member of any oral or written representation to the public by any means whatsoever concerning services offered by the member in the member's capacity as a chartered accountant or in the member's practice of public accounting or in any related business or practice (as referred to in By-law 102(ee)) or in the process of recruiting staff and, notwithstanding the generality of the foregoing, includes the making of any such representations on the

member's stationery, or in any announcement, business card, brochure, leaflet, pamphlet, sign, notice, or any other document or printed or written matter, as well as in any newspaper, magazine, journal or other periodical, or by means of any broadcast by radio, television or other means, and "advertisement" and "advertising" shall have corresponding meanings;

- (d) "allegation" means a written document alleging that a person has engaged in conduct deserving of a sanction;
- (e) "annual meeting" means the annual general meeting of the members of the Institute held pursuant to Section 7(5) of the Act and By-law 231;
- (f) "applicant" means anyone applying to the Institute or the Board for membership pursuant to the By-laws;
- (g) "ASCA" means the Atlantic School of Chartered Accountancy;
- (h) "By-laws" means these By-laws as amended and in force from time to time;
- (i) "Board" or "the Board" means the Board of the Institute;
- (j) CA Training Office means a practicing office or organization that has been approved by the Board or its designate to employ students for the purposes of providing the practical experience required for admission to membership;
- (k) "certificate" means a certificate to practice as a Chartered Accountant;
- (l) "complainant" means a person making an allegation;
- (m) "Complaints Authorization Committee" means the Complaints Authorization Committee appointed pursuant to Section 28(1) of the Act;
- (n) "cross-referenced" means, in relation to a practice of public accounting and one or more other businesses or practices:
 - (i) reference in the advertising, promotional or other material of any of them to any of the others; or
 - (ii) use by any of them of any name, word, design or other feature or characteristic of presentation or communication; which, in the view of a reasonable observer, would imply that the practice of public accounting, or any of its proprietors;
 - (iii) has proprietary interest or management influence in any of the businesses or practices; or
 - (iv) has any other ongoing economic association or relationship with any of the other businesses or practices;
- (o) "disabled member" means a member who, as a direct result of sickness or injury, is unable to perform the duties of the member's regular occupation and is not engaged in any other occupation;

- (p) “Disciplinary Panel” means the Disciplinary Panel appointed pursuant to Section 28(4) of the Act;
- (q) “elected officers” means the officers elected by the Board pursuant to Section 4(3) of the Act;
- (r) “exempt member” means a member who has retired or met such other criteria as may be prescribed by the Board and who qualifies for an exemption from fees pursuant to By-law 403;
- (s) “exempt professional corporation” means a professional corporation, all of the voting shares of which are held by a member(s) who qualifies for an exemption from fees pursuant to By-law 403;
- (t) “final examination” means Uniform Evaluation;
- (u) “firm” means a sole proprietorship, partnership or professional corporation;
- (v) “fiscal year” means the fiscal year of the Institute ending on the 31st day of March in each year;
- (w) “Institute” means The Institute of Chartered Accountants of Newfoundland and Labrador;
- (x) “investigating committee” means the Investigating Committee appointed pursuant to By-law 241(4);
- (y) “management consulting” means an advisory service performed in investigating and identifying management problems related to the policy, organizational, operational, administrative or technical aspects of an enterprise or organization; recommending solutions to these problems; and assisting in their implementation;
- (z) “member” means a member of the Institute, except where otherwise indicated by context;
- (aa) “membership committee” means the Membership Committee appointed pursuant to By-law 241(4);
- (bb) “non-voting share” means an issued share of a professional corporation that is not a voting share;
- (cc) “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;
- (dd) “Office Practice Inspection Committee” means the Office Practice Inspection Committee appointed pursuant to By-law 241(4);
- (ee) “partnership” includes a limited liability partnership;
- (ff) “practice of public accounting” means carrying on public practice in one or more of the following functions:

- (i) practising as a “public accountant” as defined in the Public Accountants Act, SNL 2009, Chapter P-35.1, as amended and in force from time to time; as amended and in force from time to time;
- (ii) performing an assurance engagement as defined in the *CICA Handbook*;
- (iii) performing a specific auditing procedures engagement as defined in the *CICA Handbook*;
- (iv) performing a compilation engagement as defined in the *CICA Handbook*; where there is third party reliance on financial information that is the subject of the compilation engagement;
- (v) accounting, insofar as it involves analysis, advice and interpretation in an expert capacity, but excluding record keeping;
- (vi) taxation, insofar as it involves advice and counselling in an expert capacity, but excluding mechanical processing of returns; and
- (vii) preparing a tax return or other statutory filing when such preparation is in a connection with a practice offering or providing a service as described in (i), (ii), (iii), (iv), (v) or (vi)

For greater certainty, the practice of public accounting does not include:

- (i) management consulting, including investigating and identifying management and business problems related to the policy, technical, organizational, operational, financial, systems, procedures, or administrative aspects of organizations and recommending appropriate solutions;
 - (ii) insolvency, including receivership, trusteeship in bankruptcy, liquidation and administration of bankrupt or insolvent companies and estates;
 - (iii) data processing, including manual record keeping;
 - (iv) administratorship, insofar as it involves the management of affairs on behalf of others;
 - (v) computer systems consulting;
 - (vi) business brokerage, negotiating and advising on the sale, financing, merger or acquisition of business organization;
 - (vii) executorship and estate administration;
 - (viii) personal financial planning;
 - (ix) investment counselling;
 - (x) insurance counselling; and
 - (xi) valuation;
- (gg) “practising office” means an office of a member, firm or professional corporation engaged in the practice of public accounting; for student registration purposes, and subject in that regard to such conditions as

may be stipulated by the Board from time to time, “practising office” also includes members holding the office of Auditor General of Canada or of Auditor General of Newfoundland and Labrador;

- (hh) “profession” means the profession of chartered accountants in Newfoundland and Labrador and “professional” refers to that profession;
- (ii) “professional colleague” means a member of the Institute or a member of a provincial institute;
- (jj) “providing services as a chartered accountant directly to the public” means practice of public accounting as defined in By-law 102(ee);
- (kk) “provincial institute” means an institute or ordre of chartered accountants incorporated in any province or territory of Canada, or in Bermuda, but does not include The Institute of Chartered Accountants of Newfoundland and Labrador;
- (ll) “registrar” means the chief executive officer of the Institute as appointed by the Board as per section 6(1) of the Act;
- (mm) “related business or practice” means a business or practice which is related to a practice of public accounting by reason of being cross-referenced:
 - (i) with a practice of public accounting; or
 - (ii) with any other business or practice which is cross-referenced with a practice of public accounting;
- (nn) “respondent” means a chartered accountant, former chartered accountant, a professional corporation, former professional corporation, a student or a former student against whom an allegation has been made;
- (oo) “retired member” means a member who has:
 - (i) attained the age of 70 years; or
 - (ii) the member’s age plus years as a member in good standing with any provincial institute of Chartered Accountants totals at least 85, and is
 - (iii) subject to a retirement waiver policy as may be determined by the Board from time to time;
- (pp) “rules, regulations and procedures” means the rules, regulations and procedures of the Institute in force from time to time;
- (qq) “rules of professional conduct” means the rules of professional conduct of the Institute in force from time to time;
- (rr) “seal” means the seal of the Institute as adopted by resolution of the Board from time to time;
- (ss) “student” means a student registered under the provisions of the By-laws, and including a person registered as a student on a conditional basis under the By-laws, and for purposes of Regulation to the Act 3(2)(a) includes a student of a provincial institute;

(tt) "Uniform Evaluation" means the qualifying examination prepared by the Board of Evaluators of the Canadian Institute of Chartered Accountants' on behalf of the provincial institutes;

(uu) "voting share" in relation to a corporation, means an issued share with the right to vote at a shareholders meeting attached to it;

any words importing the singular number or the masculine gender only include more persons, parties or things of the same kind than one, and females as well as males and the converse.

103 Definition by the Board

Any other word or phrase in the By-laws, rules and regulations of the Institute shall have the meaning or scope given it from time to time by resolution of the Board.

104 Interpretation by the Board

(1) In addition to all its other powers, the Board, for the information and guidance of members, may by resolution interpret the intention or meaning of any By-law, rule, regulation, procedure, resolution or report in connection with the Institute and may determine any dispute with regard to such intent or meaning.

(2) Any such interpretation shall be final, binding and conclusive with regard to any such dispute.

105 Regulations by the Board

The Board may make rules, regulations and procedures pursuant to the By-laws with regard to any matter, provided, however that such rules, regulations and procedures shall not be contrary to the provisions of the Act or of the By-laws.

106 Compliance with By-laws, Rules, Regulations and Procedures

(1) All members and students by their application for membership or registration or by their continuance of membership or registration shall agree and shall be deemed to have agreed with the Institute and each of its members to the terms of the By-laws, rules, regulations and procedures of the Institute and all acts or things done thereunder.

(2) For the purposes of these By-laws present shall mean attending in person or by telephone, teleconference or by any other media approved by the chair of the meeting.

(3) A reference in a By-law, regulation, rule of professional conduct or board interpretation to a statute or statutory provision shall be construed as including a reference to any amendment, modification, consolidation, revision, re-enactment or extension of such statute or statutory provision

for the time being in force or to any subordinate legislation made under the same.

107 Delivery of Documents

- (1) Any letter send by prepaid first class mail or registered mail from the Institute to a member or student shall be deemed to have been received by the member on the tenth calendar day after the day of mailing of such letter addressed to the member or student at the last mailing address designated by the member or student or, if no address is designated, at the last address appearing in the records of the Institute unless the member or student to whom the letter is sent establishes that he or she did not, acting in good faith, through absence, accident, illness or good cause beyond his or her control, receive the letter.
- (2) Any document sent by telephone transmission of a facsimile or via electronic mail of the document from the Institute to a member or student shall be deemed to have been received by the member or student on the next business day after the day of transmission of such document to the last facsimile number or e-mail address designated by the member or student or, if no address is designated, at the last address appearing in the records of the Institute unless the member or student to whom the letter is sent establishes that he or she did not, acting in good faith, through absence, accident, illness or good cause beyond his or her control, receive the letter.
- (3) Members shall designate annually the address, telephone, facsimile and e-mail address to which such documents in (1) or (2) shall be sent. In the absence of such designation the last address appearing in the records of the Institute shall be considered the designated information.

108 Electronic Signatures

Unless otherwise specifically provided in the By-laws, any document permitted or required to be signed may be signed by electronic signature, so long as the means of electronic signature permits a reliable determination by the Institute that the document was created or communicated by or on behalf of the person permitted or required to sign the document.

[The Next By-law is 200]

200 INSTITUTE GOVERNANCE

BOARD

201 Board Composition and Duties

- (1) The affairs of the Institute shall be managed and conducted by a Board of individuals elected or appointed to fill vacancies in accordance with the Act and By-laws.
- (2) The Board of the Institute shall normally consist of:
 - (a) nine elected members who, except as provided for in By-law 202 hereof, shall hold office for two years, and of whom at least one member at all times shall be resident in Newfoundland and Labrador outside the Avalon Peninsula; and
 - (b) three additional members who are not members of the Institute, who shall be appointed in accordance with section 5 of the Act and who shall be designated as public representatives on the Board.

202 Election of the Board

- (1) At each annual meeting the number of members of the Board to be elected shall be determined by the number of vacancies at that time in the membership of the Board, but the number of members elected at each annual meeting shall not exceed five, and at all times at least one elected member of the Board shall be resident outside the Avalon Peninsula.
- (2) If two or more persons resident outside such boundaries are nominated for election as a member of the Board at a time when the election of at least one such person is required under By-law 202(1) and if no such person receives a sufficient number of votes at the election as would in the ordinary course result in his or her election, the one of such persons who receives the highest number of votes as between them shall be deemed elected in fulfilment of that requirement.
- (3) All members, except honorary members, who are in good standing and whose residence is in the Province of Newfoundland and Labrador, shall be eligible for election to the Board; provided that a retiring member of the Board who has served four consecutive terms of two years each shall not be eligible for election as a member of the Board for the next ensuing term, unless he or she has been nominated for or held the office of Vice-Chair or Secretary-Treasurer at the time of his or her retirement.
- (4) Notwithstanding the provisions of paragraph (3), a member of the Board who holds the office of Vice-Chair or Secretary-Treasurer shall automatically be a member of the incoming Board for a two-year term.
- (5) If a member of the Board serves as Chair during the first year of his or her term as a member of the Board, his or her membership on the Board shall terminate upon the expiry of his or her term as Chair.
- (6) Nominations of candidates for election to the Board shall be in writing, signed by two members of the Institute, have the written assent of the nominee appended thereto, and shall be lodged with the Secretary-

Treasurer at a date to be fixed by the Board annually which shall be at least twenty-one days before the date of the annual meeting or adjourned annual meeting.

- (7) The Board shall adopt procedures by which members may cast ballots, such that only one ballot is confidentially recorded for any member:
 - (a) By a paper ballot or some other voting document lodged with the scrutineer; or
 - (b) By a ballot cast through electronic medium, the anonymity, security and authenticity of which can be verified by the scrutineer; or
 - (c) By one or the other of the methods provided for in clauses (a) and (b) above.
- (8) A voting paper shall be prepared by the Secretary-Treasurer and sent by mail or other electronic means as prescribed by the Board to each member in good standing at least ten days before the date of the annual meeting or adjourned annual meeting containing the names, alphabetically arranged, of the persons nominated, and shall have indicated thereon by general description the places of residence and such other information as may be required by the Nominating Committee. Such voting paper shall not be effective or considered unless returned and received by the Secretary-Treasurer by noon on the second day preceding the date of the annual meeting, and marked for the election of not more than the number of persons nominated for election to the Board as are to be elected at that meeting.
- (9) Two scrutineers, appointed by the Board from the members, and the Chief Executive Officer, shall count the voting papers received from the Secretary-Treasurer and submit to the Secretary-Treasurer a certified list of the names of the persons elected at the annual meeting.
- (10) The Secretary-Treasurer shall declare at the annual meeting the names of those elected to the Board and of the appointed public representatives on the Board, but the officers of the Institute shall notwithstanding continue to act until their successors are elected.
- (11) In the event of a tie between any two or more nominees necessary to complete the membership of the Board, announcement thereof shall be made by the Secretary-Treasurer at the annual meeting and a ballot shall thereupon be conducted by the chair of the annual meeting among the members present in order to resolve a tie.
- (12) The voting papers shall be destroyed following the annual meeting.

203 Qualification for and Disqualification from the Board

- (1) A member shall not be eligible for nomination as a candidate for election to the Board or, if serving on the Board to continue such service, if he or she has been:

- i. convicted of an offence of fraud, theft, forgery or tax evasion, or an offence of conspiring or attempting to commit any such offense and the right of appeal has been exhausted, or
 - ii. found guilty with any breach of the rules of professional conduct pursuant to the Act.
- (2) Board members are expected to attend meetings of the Board and of any committees to which they have been appointed. Any member of the Board upon the occurrences of two unexcused absences from the Board may, with a vote of two thirds of Board members present at the meeting, be removed from the Board.
- (3) If service on the Board is ended in accordance with the provisions of By-law 203(1) or 203(2) the Board shall declare the member's position on the Board to be vacant.
- (4) When an elected position on the Board has become vacant pursuant to By-law 203(1) or (2), the remaining members of the Board shall appoint a replacement to serve until the expiry of the term of that elected member,
- (5) A member who has been found ineligible for nomination for election to the Board or to continue to serve on the Board pursuant to By-law 203(1) or (2) shall become eligible for nomination for election to the Board the later of:
 - (a) five years from the finding of professional misconduct which made the member ineligible under By-law 203(1). or
 - (b) five years from the date determined under By-law 203(1).

204 Meetings of the Board

- (1) Meetings of the Board shall be held at such times and places as the Chair shall determine, including by means of such telephone, electronic or other communication facilities that will permit all persons participating in the meeting to communicate with each other, and reasonable notice of such meetings shall be given to all members of the Board.
- (2) A meeting of the Board shall be convened on receipt by the Chair, any other officer of the Board, or the Chief Executive Officer of a requisition for a meeting duly signed by any three Board members specifying the general nature of the business to be transacted at such meeting. A meeting of the Board shall be convened within thirty days of receipt of such requisition or notification.

205 General Powers

- (1) In addition to the powers specifically conferred and the duties specifically imposed on the Board by these By-laws, the Board shall have the power and it shall be its duty to do all such acts, matters and things to carry into effect the provisions of these By-laws and of the act of incorporation of the Institute, as are not by these By-laws or by the said act of incorporation required to be done by the Institute, or by some officer or committee thereof.

- (2) Subject to the By-laws, the order of business and procedure at all meetings of the Board shall be governed by the rulings of the chair.

[The Next By-law is 221]

OFFICERS

221 Election and Appointment of Officers

- (1) Following the annual meeting at which it has been elected the Board shall meet and shall elect, from its members, a Chair, a Vice-Chair, and Second Vice Chair referred to as the Secretary-Treasurer. These members shall be the elected officers of the Institute and shall act on behalf of the Board on matters delegated by the Board.
- (2) The Board shall provide for the appointment and remuneration of a Chief Executive Officer and such other officers and agents as the Institute may from time to time require.

222 Chair's Responsibilities

- (1) The Chair shall be entitled to preside at all meetings of the Institute and the Board.
- (2) In the absence or at the request of the Chair, the Vice-Chair shall act as Chair.
- (3) At any meeting of the Institute or of the Board where the Chair or the Vice-Chair is not in attendance, those present at the meeting, provided they constitute a quorum under these By-laws, may by resolution appoint any other member of the Board present at such meeting to act as chair of the meeting.

223 Secretary-Treasurer's Responsibilities

- (1) The Secretary-Treasurer shall notify members of the Institute and of the Board of all meetings to be held, record proceedings thereat, and perform such other duties as the Board may from time to time direct.
- (2) In the event that the Secretary-Treasurer is unable to perform his or her duties, the Chair shall appoint some member of the Board to act as Secretary-Treasurer pro tempore and such person so appointed shall carry out all duties of the Secretary-Treasurer as prescribed by the By-laws of the Institute.

224 Chief Executive Officer's Responsibilities

- (1) The Chief Executive Officer shall be responsible for the custody, receipt and disbursements of the funds of the Institute, as the Board may direct,

the keeping of accounts and the preparation of financial statements and shall perform such other duties as the Board may direct.

- (2) The Chief Executive Officer shall also keep registers of the Fellows, Members, Professional Corporations and Registered Students of the Institute with their addresses, see that applications for membership and the references accompanying the same are in the form prescribed by the Board and send all required notices to the members and students of the Institute.

[The next By-law is 231]

MEETINGS OF THE INSTITUTE

231 Annual General Meeting

- (1) The fiscal year of the Institute shall terminate on the 31st day of March and the annual meeting of the Institute shall be held not later than the 30th day of September in such location as the Board shall determine.
- (2) Notice of the time and place of such meeting shall be provided in a manner determined by the Board by the Secretary-Treasurer to all members at least ten days prior to the date of such a meeting with a copy of the annual report of the Institute which shall include the report of the Chair and the Board and the annual financial statement of the Institute and the report of the auditor thereon.

232 Other General Meetings

- (1) A special meeting of the Institute other than a special meeting convened pursuant to Section 7(7) of the Act may be held from time to time upon resolution of the Board and shall be called forthwith by the Chair, and in the Chair's absence, by the Vice-Chair.
- (2) No business other than specified in the said notice shall be brought before such meeting.

233 Adjournment of General Meetings

Any meeting of the Institute may be adjourned from time to time by any resolution of the majority of the members present but no business shall be transacted at any such adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

234 Procedures at Annual or Other General Meetings

- (1) At any meeting of the Institute ten members present and in good standing shall constitute a quorum.
- (2) Only members present and in good standing shall have a vote except as provided in By-law 236.
- (3) Voting shall be by show of hands unless ten or more members present require a vote by ballot.
- (4) If a vote by ballot is required, the Chair shall appoint scrutineers to take the vote.
- (5) At any meeting of the Institute, resolutions shall be presented in writing if so required by the presiding officer.
- (6) Subject to the By-laws, the order of business and procedures at all meetings of the Institute shall be set and governed by the Chair.

235 Notice Provisions

- (1) Any notice under these By-laws shall be deemed to have been duly given if and when mailed prepaid in the Province of Newfoundland and Labrador addressed to the designated address pursuant to By-law 107 or send by electronic mail to the designated e-mail pursuant to By-law 108.
- (2) The certificate of the Secretary-Treasurer or other officer appointed by the Board shall be conclusive evidence of the due mailing of any such notice.
- (3) The non-receipt of any notice under these By-laws shall not invalidate such notice or any meeting, or any resolution, proceeding or action at any meeting.
- (4) The Board may from time to time determine in its sole discretion what the reasonable notice required under the By-laws should be in the circumstances and may declare that any notice already given has been reasonable.

236 Proxy Voting Provisions

The Board may from time to time determine, in particular cases, to permit any member who is entitled to vote at any annual or special general meeting of the Institute to cast his or her vote by proxy subject to the following provisions:

- (a) the proxy shall be in writing signed by the member and shall direct and authorize the Chair of the Institute, or in his or her absence, the Secretary-Treasurer of the Institute to vote on behalf of the member;
- (b) the proxy form shall be returned directly to a proxy scrutineer who shall be a person selected by the Board. The Board may appoint an alternate proxy scrutineer to serve if the proxy scrutineer is unable to attend the meeting;
- (c) prior to the meeting the proxy scrutineer (or his or her alternate) shall furnish the Chief Executive Officer or such other person as may be appointed by the Chief Executive Officer with a record of the names of all members who have filed proxies. Such records shall not show how any particular member directed his or her vote to be cast;
- (d) any member who has cast his or her vote by proxy may, at any time prior to the time scheduled for the commencement of the meeting in question, personally attend the place of the meeting, revoke his or her proxy in writing, and cast his or her vote personally. The proxy scrutineer (or his or her alternate) shall attend the place of the meeting one-half hour before the time appointed for the commencement of the meeting to receive written revocation of proxies;
- (e) the proxy scrutineer (or his or her alternate) shall report in writing to the Chair of the Board or in the Chair's absence, the Secretary-Treasurer of the Institute the number of proxy votes for and against each vote.

[The next By-law is 241]

COMMITTEES

241 Committees: Appointment – Composition – Meetings

- (1) The Board may from time to time appoint such members to the committees set forth in By-laws 241(3) and 241(4) hereof and such other committees as it may deem necessary or desirable, said members being drawn from the membership of the Institute. And, the Board may, subject to these By-laws, at its discretion appoint non-members to committees provided, that at all times a majority of the members and the Chair of any committee shall be members of the Institute.
- (2) The Chair shall be ex officio a member of all committees of the Board.
- (3) The Board shall appoint an Audit Committee, a Corporate Governance Committee, a Nominating Committee, a Strategic Planning Committee, Complaints Authorization Committee and a Human Resources Committee and may appoint such other committees of the Board as it deems appropriate from time to time.
- (4) The Board shall appoint from the general membership and subject to these By-laws may appoint non-members as required to a number of self-regulating committees including a By-laws Advisory Committee, an Office Practice Inspection Committee, a Membership Committee, an Investigating Committee, a Public Practice Committee, and a Disciplinary Panel and may appoint such other committees as it deems appropriate from time to time.
- (5) The By-laws Advisory Committee, comprised of such members, including a chair as appointed by the Board, shall have the power to review and recommend changes to the By-laws, regulations and rules of professional conduct. The remaining Self-Regulatory Committees shall have all the powers conferred upon them by the By-laws.
- (6) The Chief Executive Officer may appoint from the general membership such operating committees that are required from time to time to assist him/her in the execution of his/her duties.
- (7) Except where otherwise specifically provided, meetings of committees shall be held, on reasonable notice, at such times and places as the respective chair thereof shall from time to time determine, including by means of such telephone, electronic or other communication facilities that will permit all persons participating in the meeting to communicate with each other.
- (8) Except where otherwise specially provided, at any meeting of a committee constituted pursuant to paragraph (1), (3), and (4) hereof, a majority of the membership of the committee thereof shall constitute a quorum provided that at any such meeting a majority of the members of the committee present and voting shall be members of the Institute.
- (9) Subject to paragraph (8) hereof, every member of a committee present shall have one vote.

- (10) A member of a committee referred to in (3) or (4) may at any time give notice in writing to the chair of the committee that the member intends to resign. The member's office shall become vacant on the acceptance of the resignation by the committee or, in the case of a member of the Institute, when the member ceases to be a member of the institute, or is excluded or suspended for any period from membership, or in the case of any member of a committee, if the member is absent from the meetings of a committee for more than two consecutive meetings without the consent of the committee, the committee may, with a vote of two thirds of committee members present at the meeting be removed from the committee.
- (11) Should any matter arise between two meetings of the Board affecting the interests of the Institute or the profession, which in the opinion of the Chair requires immediate consideration, but does not come within the jurisdiction of a committee or the mandate of the Chief Executive Officer, he or she shall have power to appoint a special committee of not less than three members of the Board to investigate the matter. The Chair shall report to the Board at the first meeting after the said committee has been appointed: (a) his or her reasons for nominating the committee, and (b) the findings of the committee. The Board may continue the committee or deal with the matter in any way that it may deem best in the interest of the Institute.
- (12) The Board may appoint or authorize local committees or associations of members in any municipality or area:
 - (a) such local committees or associations shall not be authorized to speak or act on behalf of the Institute without the express authority of the Board given by resolution;
 - (b) local committees or associations of members may be dissolved at any time by resolution of the Board.

[The next By-law is 261]

GENERAL

261 Banking: Deposits – Investments – Authorized Signatures

- (1) Monies of the Institute shall be kept in such chartered banks or trust companies as the Board may from time to time by resolution determine.
- (2) Monies of the Institute may be invested in accordance with the investment policy as approved by the Board from time to time.
- (3) All cheques and other financial instruments shall be signed by such person or persons as authorized by resolution of the Board from time to time.

262 Execution of Legal Documents

All other deeds, contracts, documents or legal papers to be signed by the Institute shall be:

- (a) attested by the signature of
 - (i) one of the elected officers, and
 - (ii) the Chief Executive Officer or his or her appointee for this purpose; or
- (b) attested in such other manner as the Board may from time to time determine by resolution.

263 Indemnification of Board Members, Officers, Committee Members and Others

Every person when acting in his or her capacity as:

- (a) a member of the Board; or
- (b) an officer of the Institute; or
- (c) a member of a committee of the Institute

and any other servant or agent of the Institute shall, out of the funds of the Institute, be indemnified and saved harmless

- (i) from and against any liability he or she may suffer or incur arising out of the normal operation of the Institute, or out of any duty or responsibility under these By-laws, or out of any undertaking or assignment authorized by the Board,
- (ii) for all costs, charges and expenses which he or she may suffer or incur in or about the defence of any claim, action, suit or proceeding alleging such liability

provided such liability, costs, charges and expenses are suffered or incurred without his or her own wilful default.

264 No Cause of Action Against the Institute, Board Members, Officers, Committee Members and Others

No member, student, or other person shall have any cause of action or lawful complaint against the Institute, the Board or any member thereof, any member, student or officer, servant, agent, counsel or solicitor of the Institute by reason of anything done or omitted to be done or any other matter or thing in connection with or in respect of any duty, responsibility, undertaking or assignment performed or undertaken in good faith on behalf of the Institute.

[The Next By-law is 300]

300 MEMBERSHIP

301 Membership Committee

- (1) The Membership Committee shall consist of such members including a chair as are appointed by the Board.
- (2) The Membership Committee shall have the power to examine, approve or reject all applications for membership in the Institute, including the power to inquire into the moral and educational fitness of each applicant, and generally to deal with all matters affecting membership in the Institute, other than those matters within the power of the Complaints Authorization Committee and the Disciplinary Panel.
- (3) The Membership Committee shall have the power to examine, approve or reject applications for readmission in the Institute, including the power to inquire into the moral and educational fitness of each applicant, and generally to deal with all matters affecting membership in the Institute, other than those matters within the power of the Complaints Authorization Committee and the Disciplinary Panel.
- (4) The Membership Committee shall have the power to review the conditions giving rise to a suspension or expulsion for bankruptcy, mental incompetence or mental disability and make recommendations to the Board as to whether such suspensions or expulsions shall be terminated.
- (5) The Membership Committee shall have the power to hear requests from members and students for consideration of special circumstance affecting membership or student registration status.
- (6) The Membership Committee shall have the power to review the conditions giving rise to the failure of a member to comply with the minimum requirements for continuing professional development as outlined in Regulation 9002 of these By-laws and to recommend to the CEO or his or her designate an appropriate course of action pursuant to Regulation 9004 of these By-laws.

302 Bankruptcy, Mental Incompetence or Mental Disability

- (1) Upon receipt by the Board of the proof provided for under Paragraph (2) and information required pursuant to By-law 304(2) any member, student or professional corporation who:
 - (a) becomes a bankrupt; or
 - (b) is subject to an order of the Supreme Court of Newfoundland and Labrador or a judge thereof, pursuant to the Mentally Disabled Persons' Estates Act, RSNL 1990, Chapter M-10, as amended, appointing a guardian for the custody and management of the member's estate based on the finding that the member is a mentally incompetent person; or

- (c) is declared, by the Supreme Court of Newfoundland and Labrador, or a judge thereof, pursuant to the Mentally Disabled Persons' Estates Act, RSNL 1990, Chapter M-10, as amended, to be a person incapable of managing his or her affairs, without there being a declaration of mental incompetence; or
- (d) is subject to an order of the Supreme Court of Newfoundland and Labrador or a judge thereof for the temporary maintenance of a mentally incompetent person, pursuant to the Mentally Disabled Persons' Estates Act, RSNL 1990, Chapter M-10, as amended;
- (e) is subject to the guardianship of the Registrar of the Supreme Court of Newfoundland and Labrador, without appointment, pursuant to the Mentally Disabled Persons' Estates Act, RSNL 1990, Chapter M-10, as amended;
- (f) is admitted as or becomes an involuntary patient in a psychiatric facility or continues therein by virtue of a certificate of renewal pursuant to the Mental Health Act, R.S.N. 1971, No. 81, as amended, or other statute for the time being in force; or
- (g) under the provisions of any legislation in force in any jurisdiction of Canada similar in nature to the legislation referred to in paragraphs (b), (c), (d), (e) or (f) of sub-paragraph (1) of this By-law 302, is deemed to be a person incapable of managing his or her affairs or is subject to guardianship or is admitted as or becomes an involuntary patient in a psychiatric facility

may, upon resolution by the Board, be subject to any of the actions as determined in Paragraph (3).

- (2) For the purposes of Paragraph (1), the following may be given as conclusive proof of the facts certified, evidence or declared:
 - (a) in the case of a bankrupt, a certified copy of the receiving order or a certificate of the official receiver certifying that the person is a bankrupt;
 - (b) in the case of a mentally incompetent person a certified copy of the final court order of guardianship, or in the case of a person declared to be incapable of managing his or her affairs a certified copy of such declaration of incompetence, or in the case of temporary mental incompetence a certified copy of the court order in this regard or in the case of the Registrar of the Supreme Court being made guardian without appointment, a declaration of the registrar to that effect;
 - (c) in the case of a person who is an involuntary patient in a psychiatric facility, written evidence from an appropriate authorized individual in such psychiatric facility stating that person has been involuntarily admitted to or has become an involuntary patient in the psychiatric facility or continues therein as an involuntary patient.
- (3) Within thirty (30) days of receipt of the information referred to in paragraphs 302(2) or 304(2) the Board shall review the information and may do any one or more of the following:
 - (a) take no further action;
 - (b) suspend the member and impose conditions on subsequent reinstatement;

- (c) remove the student's name from the register of students and impose conditions on subsequent re-registration;
 - (d) impose restrictions and/or supervision of the member's practice;
impose restrictions on the member's professional activities;
 - (e) expel the member and impose conditions on subsequent readmission;
 - (f) suspend, revoke or cancel a permit to a professional corporation;
 - (g) recommend monitoring or counselling;
 - (h) refer the matter to the Complaints Authorization Committee;
 - (i) impose other conditions that the Board deems appropriate.
- (4) The Board shall provide at least 10 days notice of any review by the Board provided for under paragraph 3 served on the member, or the member's legal representative, or such other person appointed by the court to represent such member.
- (5) The Board shall prepare a written report of its findings and notify the member or student in writing of its decision and any sanctions to be imposed and in the case of a person to whom paragraph (1)(b), (c), (d), (e) or (f) of this By-law 302 applies, similar notice shall also be given to that person's legal representative, if any.
- (6) In making its determination under paragraph (3) the Board shall have regard to such considerations as it may deem appropriate including:
- (a) The circumstance that caused the bankruptcy, the mental incompetence or mental disability and the conduct of the member in respect of such circumstance;
 - (b) The extent to which the bankruptcy, mental incompetence or mental disability may put at risk the interests of
 - (i) any client or employer of the member, or
 - (ii) any other party or parties adversely affected by the bankruptcy, mental incompetence or mental disability,
 - (c) the number and nature of the creditors affected;
 - (d) whether or not there is or was any associated criminal or civil liability on the part of the member in respect to the bankruptcy, mental incompetence or mental instability;
 - (e) the member's financial circumstances;
 - (f) the date the member expects to be discharged from the bankruptcy;
 - (g) whether or not the member is:
 - (i) competent to carry on the practice of public accounting, if the member is engaged in such practice or indicates an intention to engage in such practices in the foreseeable future; or
 - (ii) capable of performing without impairment the essential duties associated with his or her employment; or

- (iii) capable of carrying out without impairment any business or practice in which the member is engaged.
- (7) In addition to the considerations set out in paragraph (3), the Board shall consider, in respect of a member engaged in the practice of public accounting, whether:
- (a) the member is able to finance, organize and manage a public accounting practice; and
 - (b) a reasonable observer would conclude that the member's objectivity or independence has been impaired or appears to be impaired.

303 Termination of Suspension

- (1) Any person whose membership is suspended or expelled by operation of paragraph (3) of By-law 302, may, whether or not the condition giving rise to the suspension or expulsion has been removed, apply to have the suspension or expulsion terminated; any such application shall be investigated by the Membership Committee and, after investigation, the Membership Committee shall report its findings to the Board concerning the matter.
- (2) Findings reported to the Board by the Membership Committee under paragraph (1) in respect of which no application for review has been brought shall be approved and implemented by the Board, shall be recorded in the minutes of the Board and shall be final, binding and conclusive for all purposes.
- (3) In arriving at its finding the Membership Committee, shall have regard to such considerations as may seem appropriate including whether the applicant:
- is of good moral character; and
 - (a) has been discharged from bankruptcy as evidenced by a court order; or
 - (b) has been declared by a court to have become mentally competent or capable of managing his or her own affairs as evidenced by a court order to that effect or has had his or her guardian discharged pursuant to the Mentally Disabled Persons' Estates Act, RSNL 1990, Chapter M-10, as amended; or
 - (c) has sufficiently recovered and has been discharged from a psychiatric facility as evidenced by a certificate or other written evidence to that effect from an appropriate authorized individual in such psychiatric facility.
- (4) If the Membership Committee while conducting its investigation becomes aware of any act, omission, matter or thing on the part of the applicant that the Complaints Authorization Committee is empowered to investigate and inquire into pursuant to Section 31 of the Act, it may continue its investigation but shall bring such act, omission, matter or thing to the attention of the Complaints Authorization Committee for investigation and enquiry pursuant to the Act.

Where an investigation or enquiry by the Complaints Authorization Committee referred to in paragraph (4) hereof results in suspension or results in a charge being made against the applicant, the disposition of which causes the applicant to be suspended as a member for a specified period of time, or to be expelled from membership, before the Membership Committee concludes its investigation, the Membership Committee shall not proceed

further with its investigation and the application made under paragraph (1) hereof shall terminate and be of no further effect.

304 Requirement to Report Bankruptcy

- (1) Any member or student who becomes bankrupt shall advise the Institute of the fact as soon as practicable, but no later than ten days after the event.
- (2) The member or student who has notified the Institute pursuant to paragraph (1) shall prepare a written report, and submit the report to the Institute within thirty (30) days of notifying the Institute, setting out:
 - (a) the background leading to and the circumstances surrounding the financial difficulty;
 - (b) the member's ability to continue practicing their profession;
 - (c) the member's or student's personal circumstances and means of livelihood; and
 - (d) any other information that may be appropriate in proceeding with the review and investigation.
- (3) In the event that the Institute becomes aware that a member has become bankrupt and has not advised the Institute as required pursuant to this regulation, the member's rights and privileges of membership shall be suspended from the date on which the Institute becomes aware of the bankruptcy, and the failure to report the bankruptcy shall be referred to the Complaints Authorization Committee.

305 Part-time Offices

A part-time office is an office which is held out to the public as that of a Chartered Accountant, but where the member having personal charge and management may not always be in attendance to serve the public throughout normal business hours of the community in which the office is located.

- (1) A part-time office shall not be operated without prior approval of the Board.
- (2) A part-time office must be under the personal charge and management of a practising member who shall normally be present in the office during the published business hours of the part-time office, if such hours are published, and if such hours are not published, whenever such office is open for business.
- (3) When the member who is responsible for the part-time office is not able to be in attendance, arrangements must be in place for the public to be served by competent staff who have access to the member by telephone, facsimile, e-mail or some other timely method of communication.

306 Resignation

- (1) Any member in good standing may submit his or her resignation to the Board and his or her membership shall terminate on the day set for such termination by the Board unless;
 - (a) the member's practicing unit is the subject of a practice inspection or a follow-up inspection;
 - (b) the member's professional conduct is:
 - (i) the subject of an investigation by the Complaints Authorization Committee, or
 - (ii) the subject of a charge made by the Complaints Authorization Committee;
 - (c) the member has not fully complied with an order of the Disciplinary Panel;
 - (d) the member is in arrears in respect of any Institute fees or other charges; or
 - (e) the member has not fully complied with the continuing professional development requirements.
- (2) The Board may impose other conditions which must be satisfied before an application to resign is accepted.
- (3) Upon resignation a member shall return to the Institute the membership certificate granted at the time of admission to membership. If such certificate is not able to be located a member shall sign an affidavit certifying that the certificate cannot be located and advising the Board that the certificate will be returned if located in the future.

[The Next By-law is 400]

400 FEES

401 Entrance Fee

- (1) Every application for membership in the Institute shall be accompanied by the payment of an entrance fee as shall be prescribed from time to time by the Board.
- (2) The Board may exempt an applicant from the payment of such entrance fee, if such applicant is a member in good standing of a provincial institute which exempts a member of this Institute from the payment of an entrance fee on application for membership in such institute.
- (3) If any person, previously a member of this Institute, other than a member in good standing of a provincial institute, applies for re-admission as a member of the Institute his application shall be accompanied by the payment of an entrance fee as shall be prescribed from time to time by the Board.
- (4) If any application for membership in the Institute or for re-admission as a member of the Institute is not accepted, the entrance fee so paid by the person making such application shall be returned to the applicant.

402 Annual Membership Fee

- (1) Every member shall pay an annual membership fee for the ensuing year, the amount of which shall be set by the Board before March 31 of each preceding year:
 - (a) the full amount of such annual membership fee shall be paid by
 - (i) members residing or carrying on an occupation within the Province of Newfoundland and Labrador,
 - (ii) members residing elsewhere in Canada or outside Canada who are not paying the full annual membership fee of any other provincial institute;
 - (b) a reduced fee as the Board may deem appropriate shall be paid by
 - (i) members who reside in another province or territory in Canada other than Newfoundland and Labrador, or in Bermuda provided they pay the full annual membership fee of another provincial institute.
- (2) Such fee shall include membership fee to the Canadian Institute of Chartered Accountants and the yearly subscription to the CA magazine.
- (3) At the discretion of the Board, any applicant admitted to membership in the last six months of the fiscal year of the Institute may only be required to pay one-half of the annual membership fee.
- (4) Payment shall be made:
 - (a) in full, on or before the first day of April; or

- (b) quarterly, by way of pre-authorized bank debit, on or before April 15, July 15, October 15, and January 15.

Quarterly payments of the annual membership fee shall be subject to an administration charge of an amount as shall be determined by the Board from time to time.

403 Exemption from Fees

- (1) The Board may, upon application, exempt a retired member from the payment of annual membership fees and special assessments but not from any amount payable pursuant to By-law 406, and provided that
 - (a) such member is a retired member on the date upon which any fees or special assessments become payable; and
 - (b) such member continues as a retired member for the balance of the fiscal year; and
 - (c) such member satisfies such other conditions as established by the Board from time to time.

404 Waiver or Deferral of Fees

The Board may, upon application, waive or defer a portion of or all of the annual membership fee and special assessments of any member in accordance with such criteria and guidelines as are established by the Board from time to time.

405 Professional Corporation Registration Fees and Annual Licensing Fees

- (1) Professional Corporation Registration Fee shall be set at an amount determined by the Board and shall be payable at the time that an application for registration is received. The Professional Corporation Registration Fee shall be refunded in full in respect of any application that is not approved.
- (2) The annual licence fee shall be set at an amount as determined annually by the Board and shall be payable by December 31.

406 Practice Inspection Fees

Every member, firm or professional corporation engaged in the practice of public accounting in Newfoundland and Labrador shall pay in addition to annual membership fees such fees as authorized by the Board on an annual basis to support the cost of the Institute's practice inspection program. Such fees to be determined by any combination of the following:

- (a) each member, firm or professional corporation shall pay an annual fee to be determined by September 1st, in each year; and/or
- (b) each member, firm or professional corporation shall pay for each inspection or re-inspection by the Office Practice Inspection Committee, a

fee to be determined in accordance with rates as authorized and published by the Board from time to time.

407 Special Assessments

The Board may assess and collect from any or all of its members for any ordinary, special or extraordinary expenditure for such amount as the Board may determine. Any such determination will take effect once passed by the Board and the Board shall have the right to collect such assessment.

408 Suspension for Non-payment of Fees and Other Charges

- (1) If any fee, assessment or other amount payable by any member is not paid within three calendar months after the date upon which the same is due and payable, the Secretary-Treasurer shall forthwith send by registered mail to the designated address pursuant to By-law 107, a notice to the effect that unless the said fee, or assessment or other amount payable is paid within 15 days from the date of such notice any or all of his or her rights and privileges as a member under the Act and the By-laws will be suspended.
- (2) If such fee, assessment or other amount payable by any member is not paid within the aforesaid fifteen day notice period, all of his or her rights and privileges as a member under the Act and the By-laws will be suspended; notice of such suspension may be given in the form and manner as the Board may determine from time to time.
- (3) Any person any of whose rights and privileges as a member have been suspended by operation of this By-law may apply to the Board to have the suspension terminated and the Board may, by resolution, terminate such suspension upon payment of such unpaid fee or assessment and upon payment of a reinstatement fee equal in amount to the entrance fee as prescribed from time to time by the Board under By-law 401. The Board may in its discretion waive payment of the reinstatement fee or a portion thereof.

409 Expulsion for Non-payment of Fees and Other Charges

- (1) If such fee, assessment or other amount is not paid within sixty days after the date that the rights and privileges of such member have been suspended, the Board may direct that such member be expelled from membership in the Institute and that his or her name be removed from the register of members; notice of such expulsion from membership may be given in such form and manner as the Board may determine.
- (2) A person who has been expelled from membership under this By-law may be readmitted on such terms as the Board may determine.

[The Next By-law is 500]

500 PROFESSIONAL LIABILITY INSURANCE

- (1) The Board may prescribe minimum levels of professional liability insurance required to be carried by members, including the amounts of any deductible under such insurance.
- (2) The Board may provide requirements to empower the Institute to act as agent for its members in obtaining professional liability insurance and may set fees for such insurance, including provisions exempting a member or class of membership from payment of all or part of such insurance fees.
- (3) The Board may set requirements requesting information, proof of insurance and evidence of compliance with this By-law including the timing of such submissions to the Board.
- (4) A member who fails to comply with the requirements set by the Board pursuant to these regulations shall be suspended from the rights and privileges of membership; notice of such suspension shall be given in the form and manner as the Board may determine from time to time.
- (5) A person whose rights and privileges as a member have been suspended by operation of paragraph (4) of this regulation may apply to the Board to have the suspension terminated and the Board may, by resolution, terminate such suspension on such terms as the Board may determine.

[The Next By-law is 600]

600 RULES OF PROFESSIONAL CONDUCT AND DISCIPLINARY PROCEEDINGS

601 Passing and Approval of Rules

The Board may from time to time make, pass, repeal and amend rules of professional conduct prescribing the standards of fitness, moral character and conduct of members and students, and immediately upon the making, passing, repealing or amendment of any such rules by the Board, full particulars thereof shall be sent to all members of the Institute, but such rules shall, unless confirmed by a resolution of the members present at the special meeting of the Institute called for that purpose, have effect until the date of such special meeting and until that date only; provided that if no such special meeting be called such rules shall, unless confirmed by a resolution passed by a two-thirds majority of the members present at the next annual meeting of the Institute, have effect until the date of such annual meeting and until that date only.

602 Compliance with Rules

Members and students shall comply with such standards as prescribed, and with the By-laws, rules, regulations and procedures of the Institute.

603 Board Powers

Notwithstanding the terms of the rules of professional conduct, the Board shall have the additional right and power to determine from time to time in particular cases, what acts, omissions, matters or things constitute unfitness, lack of moral character, or professional or other misconduct of members and students, or constitute violations of the By-laws, rules, regulations and procedures of the Institute or are or have been derogatory to the reputation, dignity or honour of the Institute or the profession.

604 Previous Rules

All those rules, regulations and procedures of the Institute in effect immediately prior to the passing of these By-laws are hereby ratified and confirmed.

[The Next By-law is 650]

DISCIPLINARY PROCEEDINGS

650 Committees

The disciplinary work of the Institute shall be carried on by the Complaints Authorization Committee, the Investigating Committee, the Disciplinary Panel and the Board in accordance with the By-laws, provided that the Board may from time to time make rules and regulations for the conduct of the work of these committees that is not inconsistent with the Act.

651 Complaints Authorization Committee - Composition

The Complaints Authorization Committee is a committee of the Board. Pursuant to Section 28 of the Act the Complaints Authorization Committee shall consist of four members of the Board and one public representative who is appointed by the Minister under Section 5 of the Act.

652 Complaints Authorization Committee - Powers

- (1) The Complaints Authorization Committee shall be responsible for the initiation of the disciplinary work of the Institute in accordance with the powers granted to the committee pursuant to Sections 31 of the Act.
- (2) Pursuant to Section 31(1)(b) of the Act the Complaints Authorization Committee may appoint a member(s) of the investigating committee or may hire an investigator to conduct an investigation on its behalf.

653 Investigating Committee - Composition

- (1) The Investigating Committee shall be comprised of a roster of members as are appointed by the Board for the purposes of carrying out investigations for the Complaints Authorization Committee.
- (2) The Complaints Authorization Committee may refer to the roster of those members of the Investigating Committee for the purposes of selecting an investigator(s) to review an allegation made against the member.

654 Investigating Committee - Powers

- (1) The Investigating Committee shall be responsible for carrying out investigations into all matters which may be brought to their attention by the Complaints Authorization Committee or its chair.
- (2) Pursuant to Section 31(5) of the Act the investigator(s) appointed by the Complaints Authorization Committee shall have the right to:
 - (a) interview any member or student, including members or students who are not subject of the allegation;
 - (b) inspect and copy records and other documents relating to the subject matter of the investigation.

655 Investigation Report

The investigator(s) shall prepare a written report of the findings of its investigation to the Complaints Authorization Committee.

[The Next By-law is 671]

HEARING AND NOTICE PROCEDURES

671 Disciplinary Panel and Adjudication Tribunal

- (1) The Board shall appoint at least 10 Chartered Accountants pursuant to Section 28 of the act who together with three persons appointed by the Minister shall constitute a Disciplinary Panel.
- (2) Pursuant to Section 32 of the Act for the purposes of dealing with a complaint referred to the Disciplinary Panel, the chairperson of the Disciplinary Panel shall appoint from the Disciplinary Panel an adjudication tribunal consisting of 3 persons, 2 of whom shall be Chartered Accountants and one shall be a public representative.

672 Procedure at Formal Hearings

In connection with any formal hearing by the Disciplinary Panel and an Adjudication Tribunal, the following rules of procedure shall apply:

- (a) any person charged shall be entitled to ten days notice of the time and place appointed for any formal hearings of the charge (excluding the day of mailing and the day of the hearing) together with a copy of the charge, addressed to the person charged at the last known address shown in the records of the Institute;
- (b) any person charged shall attend at the time and place appointed for the hearing of the charge; if the person charged does not attend the formal hearing the Adjudication Tribunal may proceed in the absence of the person charged and the person charged will not be entitled to any further notice in the proceedings;
- (c) at any formal hearing of a charge, the person charged shall be entitled to be represented by legal counsel or other agent, to be present during the hearing, to question any witnesses either personally, by counsel or such other agent and to submit statements, evidence and argument; and at any appeal not involving a new formal hearing, any person appealing shall be entitled to be represented by legal counsel or other agent, to be present during the hearing and to submit argument;
- (d) the Adjudication Tribunal may require the attendance before it of any member or student and the production of any books, documents and working or other papers;
- (e) unless it be otherwise specially provided, the procedure at all formal hearings shall be determined by the ruling of the chair, whose decision shall be final, binding and conclusive;
- (f) a formal hearing may be adjourned at any time and from time to time and no further notice shall be required;
- (g) the proceedings at any formal hearing shall be recorded in shorthand or otherwise but need not be transcribed;
- (h) if no transcript is ordered, the report of any formal hearing signed by the chair shall be conclusive evidence of the proceedings for all purposes;

- (i) if more than one member or student be involved in any charge or if there be more than one charge, the formal hearing may proceed as to each charge or member or student separately or together as the chair may from time to time determine;
- (j) in any formal hearing the Adjudication Tribunal may administer oaths and affirmations for the purpose of any of its proceedings and may require evidence before it to be given under oath or affirmation;
- (k) notwithstanding any other provision of these By-laws, the Board may, in particular cases, proceed in such manner and grant such relief as the nature of the case or natural justice may require;
- (l) where there is a variance between the wording of a charge and the evidence presented in support thereof, and where, in the opinion of the Adjudication Tribunal, the member or student has not been prejudiced by lack of notice, the Adjudication Tribunal may direct an amendment of the charge so as to make it conform to the evidence and proceed with the hearing of the charge, but where, in the opinion of the Adjudication Tribunal the member or student may be prejudiced by such amendment, the Adjudication Tribunal may, if it is of the opinion that such prejudice can be removed by an adjournment, make such amendment and adjourn the hearing of the charge to a later date; this provision shall also apply to a new formal hearing in accordance with the provisions of these By-laws and the Act and shall be read and construed accordingly;
- (m) the Adjudication Tribunal shall send to the person charged , by first-class mail addressed to such person at the designated address pursuant to By-law 107, a copy of its final decision and order, if any, in the proceedings, together with the reasons therefore, where reasons have been given and accordingly that the time limited by the Regulations adopted pursuant to the Act as to notice of publication of any order, shall be deemed to commence on the tenth day following the date of mailing by first-class mail in accordance with the provisions of this paragraph, provided that in lieu of mailing as aforesaid, a copy of the decision or order, if any, together with the reasons therefore where reasons have been given, may be personally served upon such party and in such cases the time limited by By-law 673(1) shall commence on the day next following the day on which such personal service is effected;
- (n) the Adjudication Tribunal shall give its final decision and order including reasons, in any proceedings in writing;
- (o) the Adjudication Tribunal, as the case may be, may
 - (i) make such orders or give such directions in proceedings before it as it considered proper to prevent abuse of its processes,
 - (ii) reasonably limit further cross-examination of a witness where it is satisfied that the cross-examination of the witness has been sufficient to disclose fully and fairly the facts in relation to which the witness has given evidence,

- (iii) exclude from a hearing anyone, other than a barrister and solicitor qualified to practise in Newfoundland and Labrador, appearing as an agent on behalf of a party or as an adviser to a witness if it finds that such person is not competent properly to represent or to advise the party or does not understand and comply at the hearing with the duties and responsibilities of an advocate or adviser,
- (iv) make such orders and give such directions as it considers necessary for the maintenance of order;
- (p) the members of the Adjudication Tribunal who are assigned to render a decision after any formal hearing shall not have taken part prior to such formal hearing or appeal in any investigation or consideration of the subject matter of such formal hearing and shall not communicate directly or indirectly in relation to the subject matter of such formal hearing or with any person or with any party or his representative except upon notice to and opportunity for all parties to participate, but such members may seek legal advice from an adviser independent from the parties and in such case the nature of the advice shall be made known to the parties in order that they may make a submission as to the law;
- (q) no member of the Adjudication Tribunal shall participate in a decision pursuant to any formal hearing who was not present throughout such hearing or appeal and heard the evidence and argument of the parties, and, except with the consent of the parties, no decision pursuant to the hearing shall be reached unless all members so present participate in the decision;
- (r) in any formal hearing the findings of fact shall be based exclusively on evidence admissible or matters that may be noticed under the Act and these By-laws.

673 Notice of Decisions and Orders

- (1) In addition to such notices as required under subsection (3) Section 37 of the Act, notice of any order made by the Adjudication Tribunal may be given in such form and manner as the Adjudication Tribunal may from time to time determine and notice of any order of expulsion or suspension of a member shall be given to all members of the Institute after a period of fifteen days from the date of the making of the order.
- (2) When the Adjudication Tribunal makes an order that a member be suspended or expelled from membership or that the member's right to practise be restricted, it shall promptly inform all other provincial institutes.

- (3) Such further or other notice of any order made by the Adjudication Tribunal pursuant to the provisions of subsection 5 Section 37 of the Act may be given or published in such a way and at such times as the Adjudication Tribunal or the Board may determine.
- (4) All members and students, by their applications for membership or registration or by their continuance of membership or registration, shall consent and be deemed to have consented to any notice or publication pursuant to the provisions of Clause 2.
- (5) Neither the Institute nor the Board shall be required to take notice of any published article or private communication or of any statement affecting the conduct of a member or a student.

674 Taking Notice

The Adjudication Tribunal may, in making its decision in any proceedings:

- (a) take notice of facts that may be judicially noticed; and
- (b) take notice of any generally recognized scientific or technical facts, information, or opinions within its scientific or specialized knowledge.

[The Next By-law is 700]

700 STUDENT EDUCATION

701 Committee

The Board may designate a committee to propose rules and regulations with respect to registration or re-registration as a student, with respect to courses of instruction and examination or the granting of exemptions therefore, and with respect to the requirements for writing and passing examinations. Such proposed rules and regulations and any amendments thereto, shall then become effective upon approval by the Board and shall be published by circular to all members and students promptly after the adoption thereof.

702 All Students are Required to Register with ASCA and the Institute

703 Requirements for Registration as a Student

Any person may apply to ASCA to be registered as a student of the Institute, who:

- (1) resides in the Province of Newfoundland and Labrador; and
- (2) is recommended as being of good moral character and habits by:
 - (a) a partner or shareholder or the sole practitioner of a practising office, or
 - (b) a member of the Institute who has responsibility for the training and supervision of the person in an organization

that has been approved for the training of students pursuant to By-law 709 and who for the purpose of securing practical experience is employed to perform the duties of a student in such office; and

- (3) produces proof to ASCA satisfactory to it that he or she either
 - (a) has a baccalaureate degree granted by a recognized university, or
 - (b) is eligible to register as a mature student. A person wishing to register as a mature student must:
 - (i) possess a high school diploma or equivalent;
 - (ii) possesses five years relevant work experience. Applicants may receive credit for up to two years experience on the basis of attendance at a recognized post-secondary educational institution;

- (iii) be employed to perform the duties of a student for the purpose of securing practical experience in a practising office or an organization that has been approved for the training of students pursuant to By-law 709; and
- (iv) receive Board approval.

704 Practical Experience Requirements

Every student registered with the Institute shall as a prerequisite to admission to membership in the Institute complete, in one or more practising offices or organizations that has or have been approved pursuant to By-law 709 for the training of students, a period of practical experience of an amount and nature prescribed by the Board.

705 Education Requirements

- (1) Every application for registration shall include a declaration of the applicant's intention to qualify, in due course, for admission to membership in the Institute, an undertaking to observe and keep all By-laws, rules, regulations, and procedures of the Institute affecting him or her, and an undertaking to submit to the direction of the Board, and ASCA in all matters relating to students' studies and examinations.
- (2) Upon approval by the Board or its authorized representative, the applicant for registration shall become a registered student and shall be subject to the rules and regulations of the Institute and ASCA.
- (3) Before being permitted to write the final examination of the Institute, registered students must:
 - (a) successfully complete the ASCA professional program; and
 - (b) satisfy such other requirements of the Institute as appropriate.

706 Student Associations

The students may form an association or society for the better advancement of their studies and professional skill and knowledge and for the purpose of making recommendations affecting their joint interests for the consideration of the Board, but all rules and regulations of such an association or society shall have force or effect only when the same shall have been approved by the Board, and such shall be subject to revision and amendments as the Board may decide.

707 Student Fees

Every registered student shall pay to ASCA such fees as may be prescribed by ASCA.

708 Movement of Students from One Province to Another

- (1) A person who writes the Uniform Final Evaluation as a candidate of another provincial institute may register with ASCA and the Institute as a student if he or she:
- (a) wrote the uniform evaluation as a candidate of another provincial institute while having been resident in the province in which that provincial institute is located; and
 - (b) is not eligible to register as a student with the applicable provincial institute, or to maintain student registration with that institute as a result of having become resident of Newfoundland and Labrador subsequent to having written the Uniform Evaluation; and
 - (c) is employed with an approved CA training office in Newfoundland and Labrador.

Any such person shall complete such education, evaluation and prescribed practical experience requirements in accordance with regulations adopted by the Board from time to time.

- (2) Any student who:
- (a) has completed the prescribed period of experience in an approved CA training office; and
 - (b) has not passed the Uniform Evaluation; and
 - (c) who ceases to reside in Newfoundland and Labrador; or
 - (d) who terminates his or her employment in an approved CA training office

may remain registered as a student.

- (3) Any student who:
- (a) has not completed the prescribed period of experience in an approved practicing office or organization; and
 - (b) has fully completed the required courses of instruction; and
 - (c) has written the Uniform Evaluation; and
 - (d) ceases to reside in the province of Newfoundland and Labrador
- may remain registered as a student provided he or she takes employment with and completes his or her period of experience in an approved CA training office in another province.

709 Approved Training Offices

- (1) Every practising office employing one or more students and every member who as an employee of an organization approved pursuant to paragraph 5(b) has responsibility for the supervision and training of one or more students employed by the organization is responsible for giving such practical experience and instruction and for affording such opportunities as are necessary to enable each student to acquire the art, skill, science and knowledge of a chartered accountant.
- (2) Every practising office employing one or more students and every member who as an employee of an organization approved pursuant to paragraph 5(b) has a responsibility for the supervision and training of one or more students employed by the organization shall maintain records showing:
 - (a) the CA Student's term of employment;
 - (b) confirmation of the conduct of the periodic progress reviews as required by the *Practical Experience Requirements* as adopted by the Board; and
 - (c) if providing practical experience to practice Public Accounting, the CA Student's chargeable hours in assurance services, audit engagements and taxation services.
- (3) The Board or its designate shall have the power to make whatever investigation it deems necessary, including an inspection of the books and records of the practising office, to satisfy itself that the practising office is complying with the requirements of this By-law.
- (4) The Board may:
 - (a) designate any person to make whatever investigation is deemed necessary in accordance with the policies and procedures adopted by the Board to determine whether an organization meets the standards prescribed by the Board to be qualified to employ students; and
 - (b) upon review of a report made by the person pursuant to clause (a) above, approve the organization to employ students.
- (5) No person shall be registered as a student unless:
 - (a) in the case of a person who has been offered employment with or is employed by a practising office:
 - (i) the Board or its designate has approved the office (such approval to be effected in advance of any offer or transfer of employment as the case may be) as being qualified to give him or her proper practical experience and instruction; or

- (ii) if as a result of such registration the total number of students employed in such practising office would not exceed three for each member in such office, or such lesser number of students as may be set by the Board in particular cases, students who have completed the required period of prescribed practical experience and have written the Uniform Evaluation shall be excluded in determining the number of students permitted;
- (b) in the case of a person who has been offered employment with or is employed by an organization:
 - (i) the Board has approved the organization (such approval to be effected in advance of any offer or transfer of employment, as the case may be) as being qualified to give him or her proper practical experience and instruction; or
 - (ii) if as a result of such registration the total number of students employed in such organization would not exceed the maximum number of students that the Board has determined may be employed with the organization; students who have completed the required period of prescribed practical experience and have written the Uniform Evaluation shall be excluded in determining the number of students permitted.
- (6) No student shall be engaged:
 - (a) solely; or
 - (b) in association with others; or
 - (c) as an employee

in the practice of public accounting, except as expressly permitted in writing by the Board, provided that this By-law shall not prohibit the student from engaging in the practice of public accounting as an employee of a practising office approved to train students.

[The Next By-law is 800]

800 OFFICE PRACTICE INSPECTION

801 Office Practice Inspection Committee - Composition

- (1) The committee is to be comprised of a Chair, approved by the Board and not less than four other committee members who, when possible, should be responsive to the needs of varying sized firms. Committee members shall be members in good standing with the Institute, be competent in both fact and appearance and meet other conditions for committee membership as set by the Board from time to time as outlined in regulations to these By-laws.

802 Office Practice Inspection Committee – Powers

- (1) The Office Practice Inspection Committee shall act on behalf of the Board in:
 - (a) the supervision of practice inspection as to the protection of the public by assessing the compliance with professional standards of members/firms that perform assurance, compilations and other specified engagements; and
 - (b) reporting to the member or firm whose practice has been inspected any desired follow up or remedial action required in instances of non-compliance and other suggestions for improvement in the standards of the member's or firm's performance of engagements addressed in the *CICA Handbook – Assurance*;
 - (c) exercising the investigation and inspection powers provided for in By-law 709 with respect to the employment of students;
 - (d) providing an educational experience to members/firms
- (2) The Board may adopt from time to time the procedures to be followed by the Office Practice Inspection Committee in carrying out its duties under the By-laws, such procedures being herein referred to as the "Practice Inspection Committee Regulations".
- (3) The Office Practice Inspection Committee in the execution of its duties shall have power:
 - (a) to carry out a programme of practice inspection in accordance with the Practice Inspection Committee Regulations;
 - (b) to require all members to comply with the reporting requirements outlined in regulation 8005(2) for purposes of determining members or firms subject to inspection.
 - (c) to require the cooperation of any member who is engaged in the practice of public accounting in Newfoundland and Labrador. Such member shall, when requested, make available to the Office Practice Inspection Committee all files, books, documents, or other material in his possession, custody or control, which the committee may require from time to time in order to ensure the maintenance of professional standards by the member, in accordance with the terms and procedures as set forth in the Practice Inspection

Committee Regulations; and in the case of files maintained in electronic format, the member shall provide the inspector with a computer able to provide full access to the files or provide a complete copy of the electronic files; and

- (d) to retain the services of inspectors on a fee basis or otherwise and to authorize any such inspector to enquire into all matters which may be brought to the inspector's attention by the committee or its chair and through its chair to authorize any such inspector to interview any member or student and to examine any working paper files, books, documents or other material that are directly relevant to the committee;
 - (e) to set the fee to be paid to practice inspectors for the provision of services and to review and adjust the fee from time to time as deemed necessary by the committee;
 - (f) to review from time to time, and recommend to the Board the fee to be charged to the member for completion of that member's practice inspection.
- (4) The Office Practice Inspection Committee and any member thereof and any person acting on its behalf shall maintain the confidentially of:
- (a) all practice inspection reports and files;
 - (b) all working paper files, books, documents or other material; and
 - (c) the affairs of any member and of the member's client and, notwithstanding any other provision of these By-laws or the Rules of Professional Conduct, any matter arising out of a practice inspection shall not be disclosed or brought to the attention of the Complaints Authorization Committee unless, as a result of an inspection, the Office Practice Inspection Committee is of the opinion that any failure to maintain professional standards is sufficiently serious as to reflect adversely upon the professional competence, reputation, or integrity of a member or student.

803 Failure to Comply

- (1) Any member who fails to comply with the reporting requirements as required in By-law 802(3)(b), the Chief Executive Officer, or his/her designate, shall forthwith send by first class mail to the designated address, pursuant to By-law 107, a notice to the effect that unless the member complies with the reporting requirement within the reporting timeframe set forth in the Regulation 8005 to these By-laws, any or all of his or her rights and privileges as a member under the Act and the By-laws will be suspended.
- (2) Any person, any of whose rights and privileges as a member have been suspended by operation of Clause (1) of this By-law, may apply to the Board to have the suspension terminated and the Board may, by resolution, terminate such suspension upon receiving evidence that the member has complied with the reporting requirement and upon payment of a reinstatement fee equal in amount to the entrance fee as prescribed from

time to time by the Board under By-law 401. The Board may in its discretion waive payment of the reinstatement fee or a portion thereof.

- (3) If any member does not comply with the reporting requirements within thirty days after the date that the rights and privileges of such member have been suspended, the Board may direct that such member be expelled from membership in the Institute and that his or her name be removed from the register of members; notice of such expulsion from membership may be given in such form and manner as the Board may determine from time to time.
- (4) A person who has been expelled from membership under this By-law may be readmitted on such terms as the Board may determine from time to time.

[The Next By-Law is 900]

900 CONTINUING PROFESSIONAL DEVELOPMENT

901 Committee

The Board may designate a committee or a person to act on its behalf with the power to:

- (a) prescribe what activities qualify as continuing professional development;
- (b) prescribe the form of compliance report to be filed by a member;
- (c) review compliance reports submitted by members;
- (d) require a member to produce to the committee or the person, such verification of the contents of the member's compliance report as the committee or person deems necessary;
- (e) require a member to complete professional development activities within a specified period of time or provide a full or partial exemption from the continuing professional development requirements in circumstances where a member is not in compliance with this By-law; and
- (f) report members to the Complaints Authorization Committee.

902 Definition

In this By-law and in any regulation adopted by the Board pursuant to this By-law, "continuing professional development" means a program of verifiable and non-verifiable learning which contributes directly to the professional competence of a member.

903 Continuing Professional Development Requirements

Every member, except members who are exempt from continuing professional development requirements pursuant to Regulation 9002(2) to these By-laws, shall complete the minimum level of continuing professional development prescribed by the Board.

904 Members Exempt from Continuing Professional Development

The Board may exempt a category of members or, on application by a member, an individual member, from any or all of the requirements of continuing professional development.

905 Reporting

Every member shall comply with reporting requirements for continuing professional development as prescribed by the Board.

906 Regulations

The Board may make regulations relating to the:

- (a) minimum level of continuing professional development; and
- (b) reporting requirements of members with respect to their continuing professional development; and
- (c) determination of members or classes of members who may be exempted from the requirements of this By-law.

907 Failure to Comply

- (1) Any member who fails to comply with the reporting requirements as required in By-law 905, the Chief Executive Officer, or his/her designate, shall forthwith send by first class mail to the designated address, pursuant to By-law 107, a notice to the effect that unless the member complies with the reporting requirement within the reporting timeframe set forth in the Regulation 9003(1) and 9003(2) to these By-laws, any or all of his or her rights and privileges as a member under the Act and the By-laws will be suspended.
- (2) Any person, any of whose rights and privileges as a member have been suspended by operation of Clause (1) of this By-law, may apply to the Board to have the suspension terminated and the Board may, by resolution, terminate such suspension upon receiving evidence that the member has complied with the reporting requirement and upon payment of a reinstatement fee equal in amount to the entrance fee as prescribed from time to time by the Board under By-law 401. The Board may in its discretion waive payment of the reinstatement fee or a portion thereof.
- (3) If any member does not comply with the reporting requirements within thirty days after the date that the rights and privileges of such member have been suspended, the Board may direct that such member be expelled from membership in the Institute and that his or her name be removed from the register of members; notice of such expulsion from membership may be given in such form and manner as the Board may determine from time to time.
- (4) A person who has been expelled from membership under this By-law may be readmitted on such terms as the Board may determine from time to time.
- (5) If a member fails to complete the continuing professional development as required under paragraph 903 of this By-law the member may be reported to the Complaints Authorization Committee of the Board and the Complaints Authorization Committee may exercise any of its powers under By-law 652.

[The next By-law is 1000]

1000 ELIGIBILITY FOR LICENSURE AS A PUBLIC ACCOUNTANT

1001 Public Practice Committee - Composition

The Public Practice Committee shall be comprised of three members of the Office Practice Inspection Committee who hold a license to practice public accounting and who are currently eligible for licensure pursuant to the requirements of By-law 1004.

1002 Powers of the Public Practice Committee

The Public Practice Committee shall have the power to:

- (1) review applications for licensure to determine eligibility for a member to be licensed as a public accountant by the Public Accountants Licensing Board;
- (2) review the annual confirmations of eligibility to practice public accounting to ensure a member continues to meet the requirements prescribed in By-Law 1004;
- (3) notify the Public Accountant Licensing Board as to those members licensed under the *Public Accountants Act* who no longer meet the requirements for eligibility for licensure as prescribed in By-law 1004.

1003 Definitions

- (a) “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;
- (b) “designated services” are services that require competencies that are complementary to those required to provide public accounting services, namely:
 - (i) taxation services related to assessing the appropriateness of taxation provisions and related financial reporting;
 - (ii) performance measurement relating to the evaluation, development and interpretation of an entity’s financial and non-financial performance;
 - (iii) forensic accounting;
 - (iv) research on the interpretation or application of either or both of generally accepted accounting principles and Canadian Assurance Standards (“CAS”) or on professional standards;
 - (v) financial reporting involving the review of accounting principles and financial statement disclosure and the appropriateness of internal controls for the purpose of presenting fairly the financial statements of an entity;
 - (vi) 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;
 - (vii) research conducted for, or advice give to, assurance clients on matters related to assurance engagements;

- (viii) 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;
- (c) “eligible hours” are
 - (i) chargeable hours acquired as a result of participating in a recognized capacity in providing public accounting services; and
 - (ii) other hours acquired in designated services;
- (d) “licensee” means a member of the Institute or a professional corporation granted a registration certificate pursuant to the *Chartered Accountants Act 2008* and who has been granted a license to practice public accounting pursuant to the Public Accountants Act, SNL 2009, Chapter P-35.1 “participated in a recognized capacity in providing public accounting services” means one more of the following:
 - (ii) each member of a firm or practicing office who directly participates in a public accounting engagement, including any related subsidiary engagement, as a member of the engagement team,
 - (iii) each member of a firm or practicing office who can directly influence the outcome of a public accounting engagement, such as members who provide:
 - (aa) consultation regarding professional standards;
 - (bb) consultation or opinions regarding taxation provisions or other technical or industry-specific issues, transactions or events;
 - (cc) quality control reviews;
 - (iv) a practice inspector appointed by the Institute;
- (e) For the purposes of this By-law, “public accounting services” are those services provided by public accountants defined in Section 2 of the Public Accountants Act, SNL 2009, Chapter P-35.1, as amended and in force from time to time.

1004 Institute to Determine Eligibility for Licensure

- (1) Any member applying to the Public Accountants Licensing Board for a license to provide public accounting services as defined in Section 2 of the Public Accountants Act, SNL 2009, Chapter P-35.1, as amended and in force from time to time; shall be reviewed by the Institute to determine eligibility for licensure pursuant to the requirements of these By-laws.
- (2) A member is deemed to be eligible for licensure as a public accountant if the member was previously eligible for licensure by meeting the basic requirements as prescribed by clause (3) of this by-law and,
 - (a) applies for a public accounting license from the Public Accountants Licensing Board;

- (b) fulfils the additional requirements to become eligible for licensure as prescribed in clause (5);
 - (c) provides evidence that the member has obtained professional liability insurance in an amount and form as required by the Board for all members carrying on the practice of public accounting;
 - (d) provides evidence satisfactory to the public practice committee that he or she is of good moral character.
- (3) The basic requirements for eligibility for licensure as a public accountant are the requirements respecting pre-licensing education and study requirements, public accounting experience and evaluations for licensing prescribed by the Board from time to time.
- (4) A member who previously has not fulfilled the basic requirements for a public accounting license prescribed by Clause (3) and seeks to become eligible to be licensed as a public accountant shall, prior to making an application for licensure:
- (a) successfully complete a minimum of two years of prescribed public accounting experience in a practicing office approved for training of students pursuant to By-law 709, which experience shall be completed under the direct supervision of a member of the Institute who is licensed to practice public accounting and shall include at least
 - (i) 1,250 chargeable hours in assurance services, of which 625 chargeable hours shall be in audit engagements, and
 - (ii) 100 chargeable hours in taxation services, and
 - (b) fulfill the additional requirements to become eligible for licensure as a public accountant as prescribed in clause (5)
 - (c) provide evidence that the member has obtained professional liability insurance in an amount and form as required by the Board for all members carrying on the practice of public accounting;
 - (d) provide evidence satisfactory to the public practice committee that he or she is of good character.
- (5) To be eligible for licensure a member shall satisfy the public practice committee that he or she has practiced public accounting in a substantive way within the immediate past five years of the date of application for licensing to the Public Accountants Licensing Board as a result of having fulfilled the following additional requirements:
- (a) the member
 - (i) has participated in a recognized capacity in public accounting services in a practicing 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; or
- (ii) has participated in a recognized capacity in public accounting in a public accounting office located outside Canada that has been the subject of a practice inspection satisfactory to the Institute by the applicable regulatory body or authority resulting in a determination that the practice's quality control system, current engagement files, and related financial statements adhere to internationally professional standards which the Institute recognizes as substantially equivalent to the professional standards contained in the CICA Handbook and other professional standards established by the Institute; or
 - (iii) is an employee, partner or sole proprietor of a newly established or soon to be 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 license if he or she has satisfied the public practice committee that he or she has successfully completed all of the requirements of this by-law and shall hold such license, if deemed eligible, on the condition that the firm or practicing office is the subject of a practice inspection not later than 18 months following the date of issuance of the license 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
 - (iv) is a practice inspector appointed by the Institute to conduct practice inspections of practicing offices;
- (b) the member has participated in a recognized capacity in public accounting services and obtained a minimum of 2,500 hours consisting of
- (i) a minimum of 1,250 eligible hours in public accounting services within the immediate past five years, and
 - (ii) up to 1,250 eligible hours in designated services within the immediate past five years;
- (c) the member has fulfilled the mandatory continuing professional development requirements as required pursuant to Section 900 of these by-laws in activity directly related to the competencies needed to provide public accounting services.
- (6) (a) Despite other provisions of this By-law the public practice committee may, in accordance with the guidelines adopted from the Board from time to time, deem a member eligible for licensure who previously qualified but never applied for a license or allowed his or her license to lapse if it is satisfied that the member has:

- (i) met all the basic requirements prescribed in clause (3);
 - (ii) met all the additional requirements prescribed in clause (5) with the exception of the additional public accounting experience requirements set out in clause (5)(b); and
 - (iii) has the required capabilities, competence and current skills to provide public accounting services.
- (b) The public practice committee shall document in writing its reasons for exercising its professional judgment to determine a member eligible for licensure as a public accountant pursuant to the provisions of Clause (a)

1005 Eligibility Requirements No Longer Met

- (1) Annually all members holding a license under the Public Accountants Act, SNL 2009, Chapter P-35.1, as amended and in force from time to time; shall confirm with the Institute that they continue to meet the eligibility requirements to be licensed as a public accountant.
- (2) A licensee shall no longer be eligible for licensure to practice public accounting if:
 - (a) within the immediate five years, the licensee has not engaged in the practice of public accounting in a substantive by fulfilling the requirements of By-law 1004(5).
 - (b) the licensee fails to carry professional liability insurance in an amount and form as required by the Board.
- (3) The member may reapply for eligibility for licensure as a public accountant pursuant to the requirements in Bylaw 1004(2).

1006 Effect on Eligibility of Suspension of Membership

- (1) A member's eligibility for licensure as a public accountant shall be automatically suspended upon the suspension of the member's rights and privileges of membership for any reason.
- (2) Upon suspension of a member's privileges of membership the Institute shall notify the Public Accountants Licensing Board immediately of such suspension.
- (3) A suspended member whose license has been suspended may reapply pursuant to by-law 1004 for eligibility to be licensed as a public accountant upon the reinstatement of the member's privileges of membership.

1007 Licensee Ceases to be a Member of the Institute

If a member licensed under the Public Accountants Act, SNL 2009, Chapter P-35.1, as amended and in force from time to time; pursuant to being deemed eligible by the Institute for licensure ceases to be a member of the Institute for any reason, the Institute shall notify the Public Accountants Licensing Board that the individual is no longer a member.

1008 Notification to the Member and Review by the Board

- (1) The registrar shall give prompt written notice to the member of the findings of the Public Practice Committee.
- (2) Within 30 days of the receipt of the notification, the member may apply to have the matter reviewed by the Board without a hearing, which shall make such decision in respect of the matter as it deems to be appropriate in the circumstances.