

**Meeting:** IESBA  
**Meeting Location:** New York, USA  
**Meeting Date:** March 13-15, 2017

## Agenda Item

# 4

### Review of Part C of the Code Phase 2—Inducements

#### Objectives of Agenda Item

1. To consider and approve for exposure Task Force proposals and proposed conforming amendments relating to revising and restructuring the inducements provisions in the extant Code.
2. To consider a second read of proposed Section 250.<sup>1</sup>
3. To consider a first read of the proposed conforming amendments to the [proposed restructured Code](#) arising from revisions to the inducement provisions in the extant Code.

The Task Force welcomes comments on its proposals set out in **Agenda Items 4-B, 4-C and 4-D** in advance of the IESBA meeting. Please email comments to [kaushalgandhi@ethicsboard.org](mailto:kaushalgandhi@ethicsboard.org).

#### Task Force

4. Members:
  - Helene Agélii, Chair, IESBA Member
  - Michael Ashley, IESBA Member
  - Joyce Evans, IFAC Professional Accountants in Business (PAIB) Committee Member
  - Robert Juenemann, IESBA Member
  - Lisa Snyder, IESBA Member

#### Activities since Last IESBA Discussion

5. The Task Force held a physical meeting and two teleconferences to consider the input received from the December 2016 Board meeting, and to prepare the agenda materials for this meeting. In addition, the Part C Task Force Chair and Staff have liaised with their counterparts on the Structure of the Code and Safeguards projects to obtain their input on its proposed revisions in Agenda Items 4-B and 4-C.

#### Material Presented

Agenda Item 4-A      Revision of Part C Phase 2—Inducements Issues and Task Force Proposals

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<sup>1</sup> Extant Part C, Section 350, *Inducements*

- Agenda Item 4-B      Revision of Part C Phase 2—Proposed Revised Section 250 (Mark-up from December 2016 IESBA Discussion)
- Agenda Item 4-B.1    Revision of Part C Phase 2—Proposed Revised Section 250 – Clean
- Agenda Item 4-C      Revision of Part C Phase 2—Proposed Section 340 – Mark-up
- Agenda Item 4-C.1    Revision of Part C Phase 2—Proposed Section 340 – Clean
- Agenda Item 4-D      Revision of Part C Phase 2—Proposed Conforming Amendments to Proposed Sections 420 and 906 (Mark-up from Proposed Restructured Code)
- Agenda Item 4-D.1    Revision of Part C Phase 2— Proposed Conforming Amendments to Proposed Sections 420 and 906 (Clean)

**Action Requested**

6. IESBA members are asked to consider the issues in **Agenda Item 4-A**, and to approve the Task Force’s proposals set out in **Agenda Items 4-B, 4-C and 4-D**.

*Drafts to be discussed at the Meeting*

7. For purposes of considering and approving for exposure the Task Force proposals, the Task Force proposes that **Agenda Items 4-B, 4-C and 4-D** be discussed at the meeting.

**Forward Timeline**

8. Subject to the IESBA’s approval of the exposure draft, the proposed timetable for Phase 2 of the project below is intended to align with the finalization of the proposed restructured Code.

Indicative Timing	Milestone
March 2017	<ul style="list-style-type: none"> <li>• IESBA CAG discussion</li> <li>• IESBA approval of restructured Phase 2</li> </ul>
Mid-April 2017	Planned release of Exposure Draft (ED) with a 90-day comment period
Mid-July 2017	Estimate of deadline for comments
September 2017	<ul style="list-style-type: none"> <li>• IESBA CAG discussion</li> <li>• IESBA Consideration of significant comments on ED and related revisions to proposals (i.e., first read of revised proposals)</li> </ul>
December 2017	<ul style="list-style-type: none"> <li>• IESBA Second read of revised proposals and approval</li> </ul>