

**INSTITUTE OF CHARTERED ACCOUNTANTS OF MANITOBA
PROPOSED BYLAW REVISIONS FOR 2003**

The complete text of the Bylaws, revised as proposed below, is available on the Institute's website at www.icam.mb.ca under "What's New". The proposed changes will be voted on at the Institute's Annual General Meeting on June 16, 2003.

FIRST BYLAW OF 2003

Explanatory Note:

Bylaw 103(v) is amended to clarify that the term "partnership" includes a Limited Liability Partnership when used within the Bylaws, Regulations, Rules of Professional Conduct and Interpretations to the Rules.

SECOND BYLAW OF 2003

Explanatory Note:

The second bylaw of 2003 is a series of "housekeeping" amendments to the bylaws and regulations related to "grandparented" students who successfully completed the Uniform Final Examination in 2001 or earlier and who are completing their periods of experience under the bylaws in existence prior to the introduction of the CA School of Business. The amendments include:

- Bylaws 103, 261(b), 401,452 - references to the Student Education Committee, which has now been disbanded, have been removed;
- Bylaw 301 – the Membership Committee has been given the power (in place of the now disbanded Student Education Committee) to make decisions with respect to requests from "grandparented" students for special consideration;
- Bylaw 400 – the application of the bylaws and rules to "grandparented" students has been clarified;
- Bylaws 420 through 427 – the requirements for registration for such "grandparented" students have been deleted, as new students will no longer register under these provisions;
- Bylaw 428 – amended to provide that "grandparented" students may request consideration of special circumstances from the Membership Committee as the Student Education Committee has been disbanded;
- Bylaw 430 – amended to provide that Council hear appeals of decisions made by the Membership Committee under bylaw 428;
- 4100 series regulations – specific application, registration, education, employment requirements have been deleted;
- 4200 series regulations – specific course requirements have been deleted;
- 4300 series regulations – specific requirements related to the Uniform Final Examination have been deleted;
- Regulation 4701 – amended to clarify that the requirements governing students who are registered with ICAM and CASB are established by CASB and Council;
- Regulation 4717(2) – the reference to the 36 month period of experience has been deleted to allow the reference in the regulation to provide more flexibility and sensitivity to changing period of experience requirements;
- Regulation 4801 – references to the process for electing student representative to the Student Education Committee have been deleted as the Student Education Committee has been disbanded; and
- 600 series bylaws –amended to provide for the appeal to Council of decisions made by the Membership Committee with respect to requests for special consideration from "grandparented" students. Previously such decisions were made by the Student Education Committee.

THIRD BYLAW OF 2003

Explanatory Note:

The third bylaw of 2003 amends bylaws 503,510, 530, 573(3) & (4) and 581 to implement the recommendations of the Disciplinary Process Review Task Force with respect to :

- Establishing a Complaint Review Panel to consider requests for review where a complainant is dissatisfied with a decision of the Professional Conduct Committee not to proceed with charges of professional misconduct;
- Replacing the concept of an "admonishment" with "providing guidance and advice" in instances where a conclusion has been reached through the complaint or discipline process that a member has not committed a breach that is serious enough to warrant discipline, but there is a belief that the member should have conducted him or herself differently; and

- Establishing the requirement that in all cases where a member has been found guilty of professional misconduct, publication of the member's name should be provided in addition to the details and disposition of the matter.

FOURTH BYLAW OF 2003

Explanatory Note:

The fourth bylaw of 2003 is a series of general "housekeeping" amendments as follows:

- Bylaws 103(b),(j) & 307(11) – amended to reflect updated references to "related business or practice";
- Bylaw 103(f) – amended to use replace the terminology "proprietor/proprietary" with the more generic "owner/ownership";
- Bylaw 103(y) – references to the "Office of the Provincial Auditor" have been updated to reflect the change in the name of the office to "Auditor General";
- Bylaw 103(an) – the references to "Uniform Final Examination" have been clarified to include the "new" UFE until such time as references to the "old" UFE may be deleted from the bylaws and the new terminology "uniform evaluation" may be introduced;
- Bylaw 204 – a typographical error has been corrected in that "fifty" was spelled "fify";
- Bylaw 223 – the role of the Secretary-Treasurer has been updated to more accurately reflect the current duties of the position;
- Bylaws 322 & 326(1),(3) – the references to "contract employee" have been deleted, as the practice of charging the practitioner's assessment for such members was determined to be administratively inefficient;
- Bylaw 801 – the reference to "private office of convenience" has been deleted as all offices are now classified as either full- or part-time.

FIFTH BYLAW OF 2003

Explanatory Note:

The Fifth Bylaw of 2003 amends the Foreword to the Rules of Professional Conduct, the Rules of Professional Conduct and the related Council Interpretations with respect to fee quotations (Rule 214), general advertising and endorsements (Rule 217), and obtaining or attracting clients and solicitation (Rule 301). Members are also advised to refer to the revised related Council Interpretations to these rules.

More specifically, the following amendments are proposed

- Rule 214 – Fee quotations has been amended to remove the prohibition from quoting a fee unless so requested by a (potential) client. The amended rule still requires that a member obtain adequate information about a potential engagement before quoting a fee.
- Rule 217.1 – Advertising and promotion has been re-named and amended to include the prohibition on the use of any method of attracting or obtaining a client which brings disrepute to the profession. This prohibition was formerly included in the now repealed rule 301.1.
- Rule 217.2 – Solicitation has been introduced to prohibit any form of solicitation that is persistent, harassing or coercive, but relaxes the previously existing prohibition against solicitation of entrusted engagements. The new Council Interpretation provides guidance on the types of communication that are permitted.
- Rule 217.3 – Endorsements has been introduced to replace the previous Rule 217.2. The new rule permits a member to endorse the product or service of a third party provided that the member has sufficient knowledge or expertise to make the endorsement and the endorsement complies with the other provisions governing advertising and promotion. A related Council Interpretation provides guidance on the application of this rule.

SIXTH BYLAW of 2003

Explanatory Note:

The Sixth Bylaw of 2003 amends the Council Interpretation to Rule 201.1 to recommend that, as a matter of prudence, a member should contact any other public accountant (whether a member or not), before criticizing his or her work. Previously, the recommendation required communication with a professional colleague with respect to potential criticism of his or her work.

END OF PROPOSED BYLAW REVISIONS FOR 2003