

Jean Thiomias GIRAUD, CPA, M.B.A.

Port-au-Prince, 17 August 2015

International Ethic Standards Board for Accountants
529 Fifth Ave, 6th floor
NEW YORK, USA

Dear members of International Ethic Standards Board for Accountants:

I am honored to provide below my comments on exposure draft (Responding to Non-Compliance with Laws and Regulations) due to September 4, 2015.

General Matters

1. Where law or regulation requires the reporting of identified or suspected NOCLAR to an appropriate authority, do respondents believe the guidance in the proposals would support the implementation and application of the legal or regulatory requirement?

Answer - Yes, I do.

2. Where there is no legal or regulatory requirement to report identified or suspected NOCLAR to an appropriate authority, do respondents believe the proposals would be helpful in guiding PAs in fulfilling their responsibility to act in the public interest in the circumstances?

Answer - Yes, I do.

3. The Board invites comments from preparers (including TCWG), users of financial statements (including regulators and investors) and other respondents on the practical aspects of the proposals, particularly their impact on the relationships between:

- (a) Auditors and audited entities;
- (b) Other PAs in public practice and their clients; and
- (c) PAIBs and their employing organizations.

Answer - The impact of the proposals on the relationships between Auditors and audited entities, other PAs in public practice and their clients, PAIBs and their employing organizations will depend of a lot of factors. The relationships will be made strong if audited entities, clients, employing organizations encourage or require ethical behavior. The relationships will be strengthened when NOCLAR from

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audited entities or clients or employing organizations is an error, but not a fraud. The relationships between Auditors and audited entities, other PAs in public practice and their clients will be positively impacted whether Auditors and other PAs in public practice clearly and openly discusses NOCLAR in the first meetings. In these cases, auditors, other PAs and PAIBs will benefit more respect from audited entities, clients and employing organizations. In contrary case, it is very probable that the relationships between Auditors and audited entities, other PAs in public practice and their clients, PAIBs and their employing organizations deteriorates. Whatever the impact on the relationships, the proposals will be very helpful and its adoption will benefit the public interest.

Specific Matters

4. Do respondents agree with the proposed objectives for all categories of PAs?

Answer - Yes, I do.

5. Do respondents agree with the scope of laws and regulations covered by the proposed Sections 225 and 360?

Answer - Yes, I do.

6. Do respondents agree with the differential approach among the four categories of PAs regarding responding to identified or suspected NOCLAR?

Answer - Yes, I do. However, for all PAs, like required at the paragraph 225.32, I suggest that the documentation to be a requirement instead of an encouragement (see paragraphs 225.48 and 360.35). According to my opinion, in addition to remove the inconsistency between the paragraph 225.32 and the paragraph 225.48, this requirement will make strong the rigor of the treatment of NOCLAR by PAs.

7. With respect to auditors and senior PAIBs:

(a) Do respondents agree with the factors to consider in determining the need for, and the nature and extent of, further action, including the threshold of credible evidence of substantial harm as one of those factors?

Answer - Yes, I do.

(b) Do respondents agree with the imposition of the third party test relative to the determination of the need for, and nature and extent of, further action?

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Answer - Yes, I do.

(c) Do respondents agree with the examples of possible courses of further action? Are there other possible courses of further action respondents believe should be specified?

Answer - Yes, I do. I believe that the list of proposed actions widely covers possible behaviors that PAs may have according the circumstances.

(d) Do respondents support the list of factors to consider in determining whether to disclose the matter to an appropriate authority?

Answer - Yes, I do.

8. For PAs in public practice providing services other than audits, do respondents agree with the proposed level of obligation with respect to communicating the matter to a network firm where the client is also an audit client of the network firm?

Answer - Yes, I do.

9. Do respondents agree with the approach to documentation with respect to the four categories of PAs?

Answer - Like required at the paragraph 225.32, for the four categories of PAs, documentation should be a requirement instead of an encouragement (see paragraphs 225.48 and 360.35). According to my opinion, in addition to remove the inconsistency between the paragraph 225.32 and the paragraph 225.48, this requirement will strengthen the rigor of the treatment of NOCLAR by PAs.

I hope these comments will be helpful and will contribute to the achievement of IFAC's mission.

Sincerely,



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