

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

Port-au-Prince, 6 November 2017

International Ethic Standards Board for Accountants (IESBA)
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 (**PROPOSED REVISIONS TO THE CODE PERTAINING TO THE OFFERING AND ACCEPTING OF INDUCEMENTS**) due to 8 December 2017.

Question 1

Do respondents support the proposals in Section 250? In particular, do respondents support the proposed guidance to determine whether there is an intent to improperly influence behavior, and how it is articulated in the proposals?

I support the proposals in Section 250. However, the adjectives " trivial and inconsequential " (see the paragraph 250.10 A1) joined to an inducement are subject to conflicting interpretations depending on the professional accountant or his/her situation. A professional accountant might evoke the nature of trivial and inconsequential to accept or offer an inducement while another can have a contrary evaluation about the same inducement. In the treatment of an ethical matter about an inducement, to avoid opposite interpretations of the nature of trivial and inconsequential, it would be better the proposals to not use these adjectives.

I support how the proposed guidance to determine whether there is an intent to improperly influence behavior is articulated in the proposals. I support also this point " Whether the professional accountant knows, or has reason to believe, that accepting the inducement would breach the policies and procedures of the counterparty's employing organization " at the paragraph 250.9 A1 is a guidance to determine whether there is an intent to improperly influence behavior.

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For the other points of the paragraph 250.9 A1, I understand there are a list of factors. Then, they would not be enough to determine whether there is an intent to improperly influence behavior. Then, for each point of the paragraph, it would be helpful to precise further information that would facilitate the determination of the (improper or not) intent of the person who gives the inducement.

An element that would be important to determine whether there is an intent to improperly influence behavior is the reputation of the person who gives an inducement. Is this person used to the inducement to improperly influence behavior ? Then, I suggest the addition of the reputation of the person who gives the inducement in the list of relevant elements to consider to determine whether there is an intent to improperly influence behavior.

Question 2

Do respondents agree that the proposed provisions relating to inducements for PAPPs should be aligned with the enhanced provisions for PAIBs in proposed Section 250? If so, do respondents agree that the proposals in Section 340 achieve this objective?

With the consideration of my answer at the Question 1, I totally agree that the proposed provisions relating to inducements for PAPPs should be aligned with the enhanced provisions for PAIBs in proposed Section 250. I totally agree that the proposals in Section 340 achieve such objective.

Question 3

Do respondents support the restructuring changes and proposed conforming amendments in proposed Sections 420 and 906?

Yes, I do. However, the adjectives " trivial and inconsequential " (see the paragraphs R420.4 and R906.4) joined to the value at gifts and hospitality are subject to conflicting interpretations depending on the firm or its situation, network firm or its situation, audit team member or his/her situation. A firm or a network firm or an audit team member might evoke the nature of

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trivial and inconsequential to accept gifts and hospitality while another person or entity can have a contrary evaluation about the same gifts and hospitality. In the treatment of an ethical matter about accepting gifts and hospitality by firm or network firm or audit team member, to avoid opposite interpretations of the nature of trivial and inconsequential of the value of gifts and hospitality, it would be better these adjectives to be not used in proposed Sections 420 and 906. It would be better also to not use these adjectives because the negative impact (trivial or not, inconsequential or not) gifts and hospitality can have on auditors' independence in appearance.

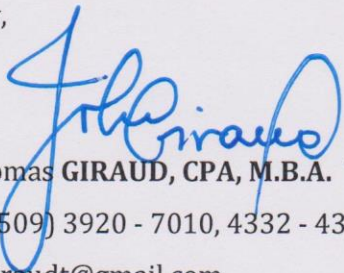
Question 4

Do respondents believe the IESBA should consider a project in the future to achieve further alignment of Sections 402 and 906 with proposed Section 340? If so, please explain why.

No, I don't. By the way, I understand the question concerns the Section 420 and not 402.

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

Sincerely,



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