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Mr Ken Siong  
IESBA Technical Director  
International Ethics Standards Board for Accountants  
529 Fifth Avenue  
New York, NY 10017

08 November 2017

## **Proposed Revisions to the Code Pertaining to the Offering and Accepting of Inducements**

Dear Mr Siong,

On behalf of RSM International Limited, a global network of independent audit, tax and consulting firms, we are pleased to respond to your Exposure Draft - Proposed Revisions to the Code Pertaining to the Offering and Accepting of Inducements.

We support these proposals and the objective to strengthen the Code to assist professional accountants in better dealing with the offering and accepting of inducements while complying with the fundamental principles. These improvements to the Code are welcome to make sure that it is fit for purpose for professional accountants in any environment and that it can be applied to a consistently high standard.

### **Request for Specific Comments**

#### **Proposed Section 250**

- 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?**

We support the Board's proposals in Section 250 because they provide additional guidance which creates a structured and logical approach to dealing with inducements. They emphasize professional accountants' responsibilities to comply with relevant laws and regulations and to apply the conceptual framework wherever an inducement is not prohibited by those laws and regulations. Specifically, we also support the proposed guidance in Section 250.9 A1 and believe that the factors to be considered in determining whether there is actual or perceived intent to improperly influence behavior are appropriate.

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#### **Proposed Section 340**

- 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?**

When a professional accountant is offering or is offered an inducement, both PAIBs and PAPPs should comply with applicable laws and regulations as well as the fundamental principles. As such, we agree that the proposed provision relating to inducements for PAPPs should be aligned with those for PAIBs.

#### **Proposed Conforming Amendments to Independence Provisions**

- 3. Do respondents support the restructuring changes and proposed confirming amendments in proposed Section 420 and 906?**

We support the restructuring changes and proposed conforming amendments in proposed Section 420 and 906 and have no further comments.

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

We do not believe that it is necessary to have a project in the future to achieve further alignment of Section 402 and 906 with Section 340 as the references to Section 340 in Section 402 and 906 are adequate.

We would be pleased to discuss our comments further with members of the IESBA or its staff. If you wish to do so, please contact Robert Dohrer (tel: +44 207 601 1080; email: [robert.dohrer@rsm.global](mailto:robert.dohrer@rsm.global)).

Yours sincerely

A handwritten signature in black ink, appearing to read "Robert Dohrer".

**Robert Dohrer**  
**Global Leader - Quality and Risk**  
**RSM International**

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