

NOCLAR—A PROPOSED REVISED FRAMEWORK

Objectives – All Categories of Professional Accountants (PAs)

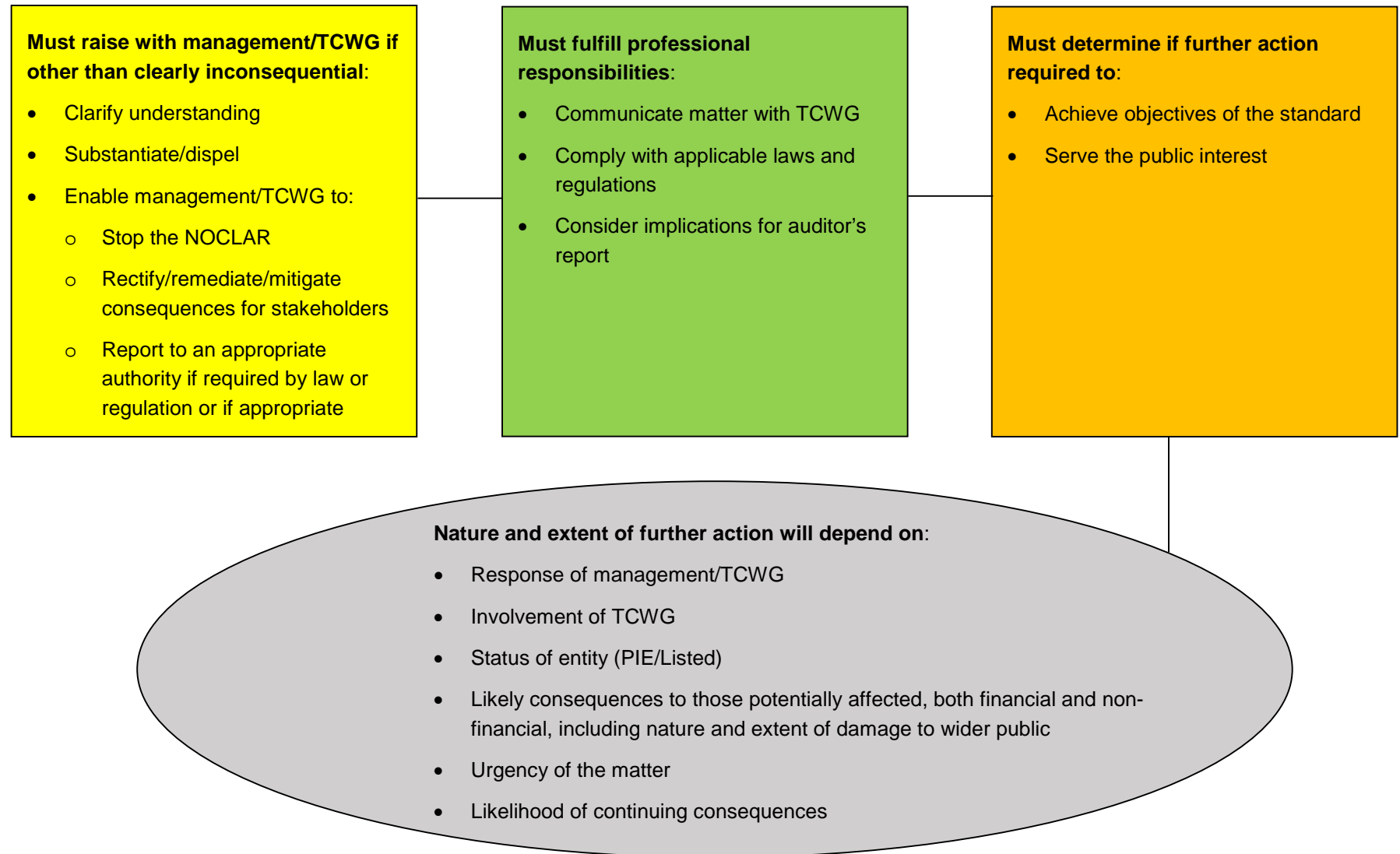
- To comply with fundamental principles of integrity and professional behavior
- To seek to avert NOCLARs that might have potential adverse consequences for stakeholders
- To assist management/TCWG to rectify, remediate or mitigate the consequences of NOCLARs where they do occur

Scope – All PAs

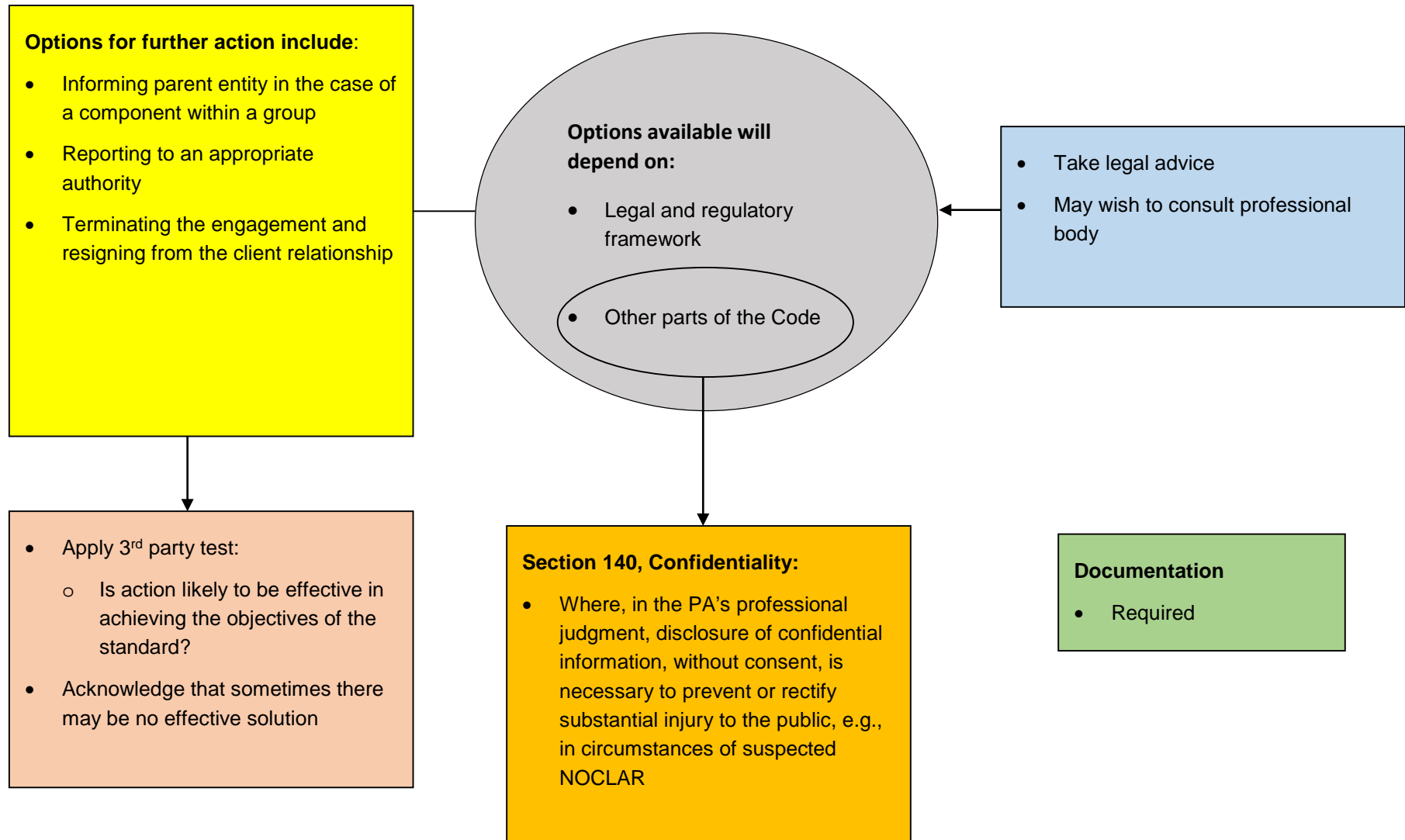
- Laws and regulations covered by ISA 250:¹
 - Laws and regulations generally recognized to have a direct effect on the determination of material amounts and disclosures in the financial statements (e.g., tax and pension laws and regulations)
 - Other laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operating aspects of the business, to the entity's ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of an operating license, compliance with regulatory solvency requirements, or compliance with environmental regulations)
- No distinction between PIEs and non-PIEs

¹ ISA 250, *Consideration of Laws and Regulations in an Audit of Financial Statements*

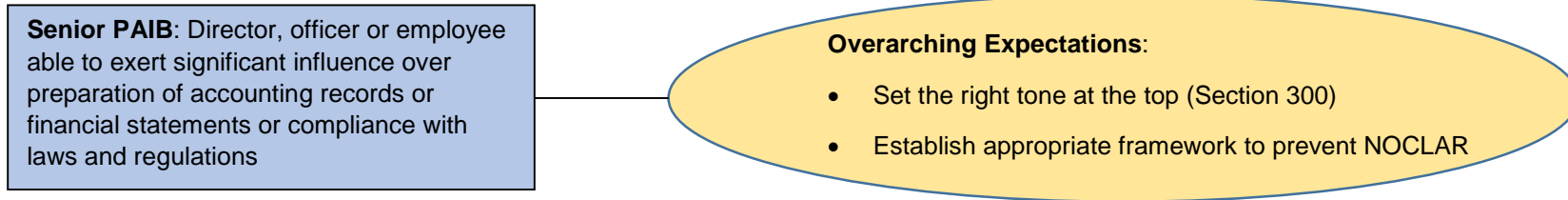
AUDITORS – REQUIRED RESPONSES WHEN COMING ACROSS SUSPECTED NOCLAR



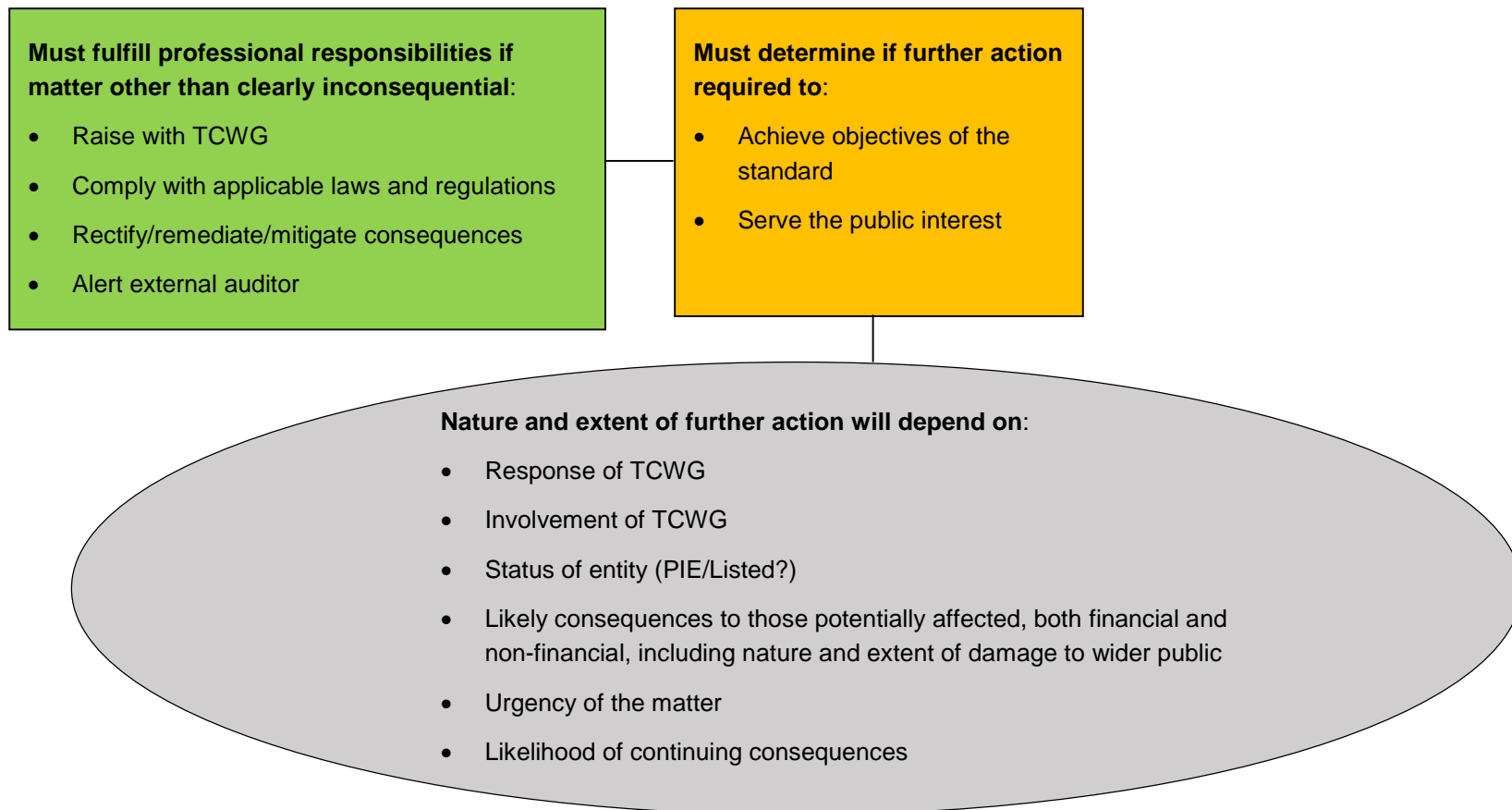
AUDITORS – DETERMINATION OF FURTHER ACTION REQUIRED



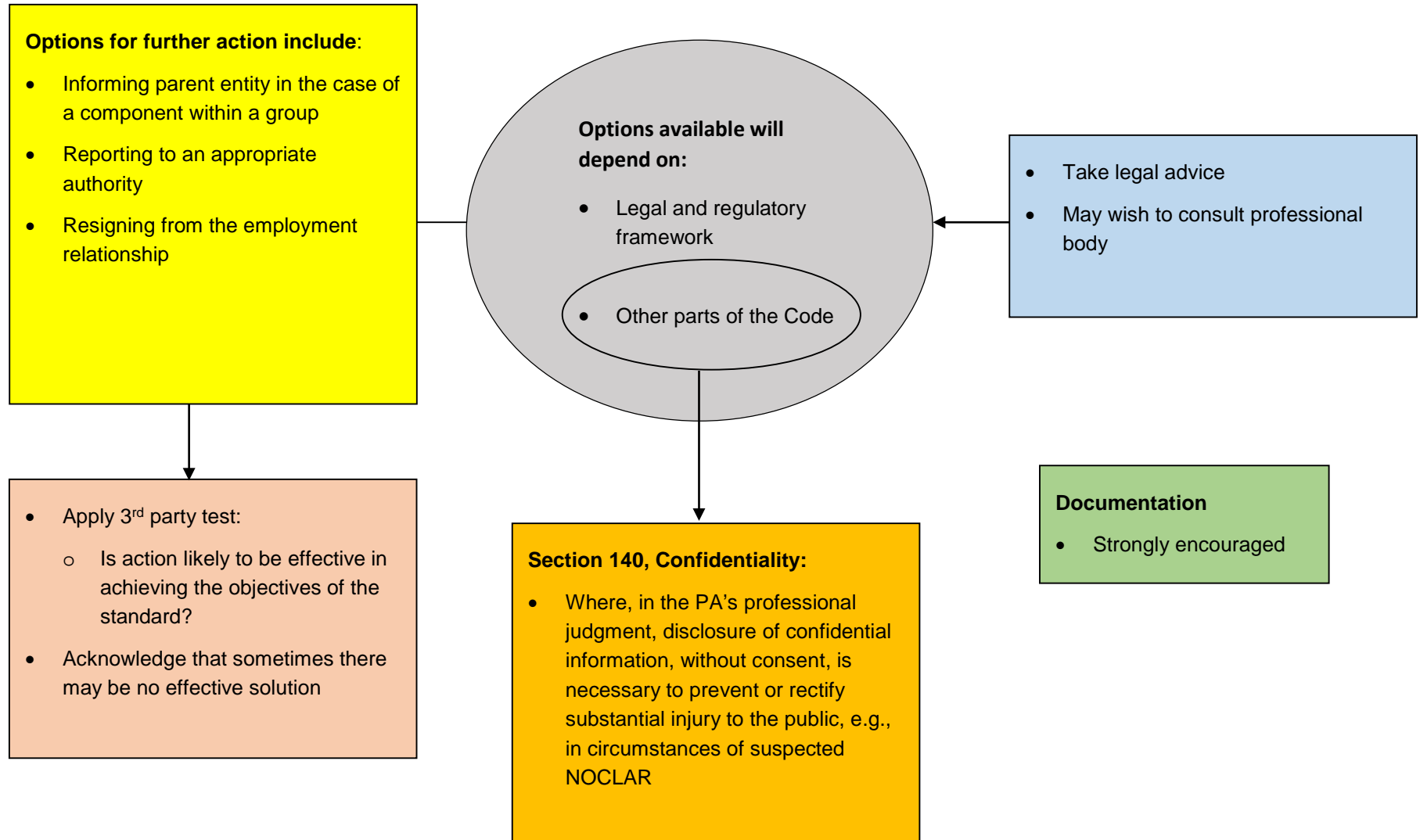
SENIOR PROFESSIONAL ACCOUNTANTS IN BUSINESS (PAIBs)



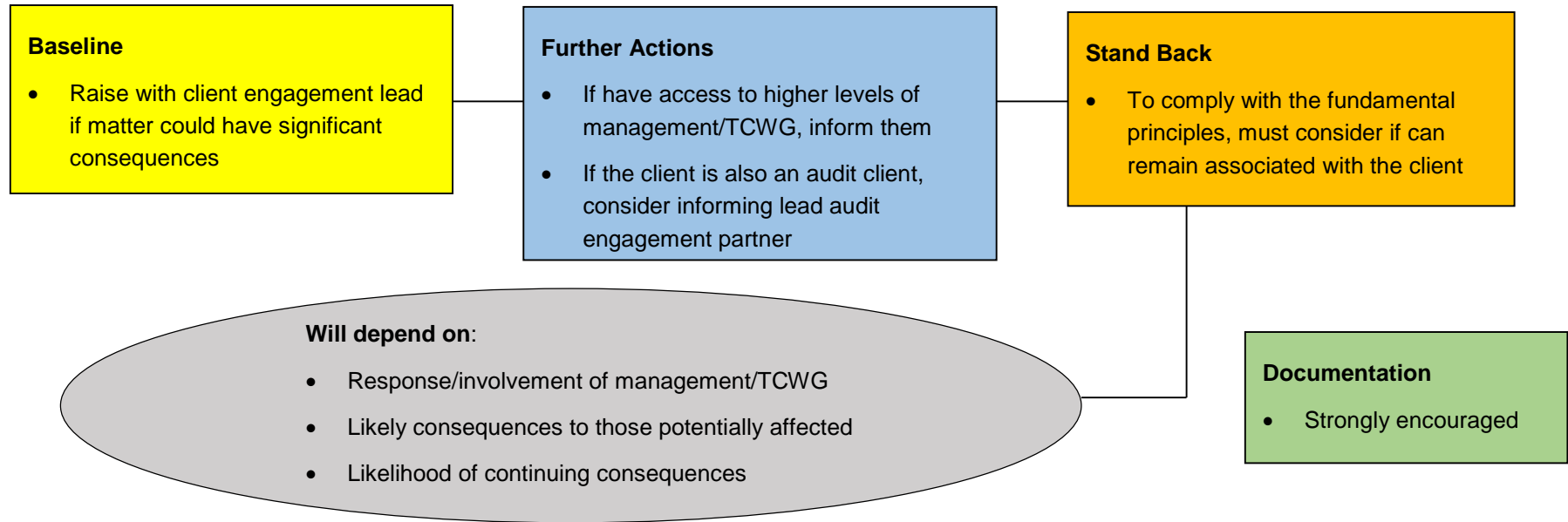
REQUIRED RESPONSES WHEN COMING ACROSS SUSPECTED NOCLAR



SENIOR PAIBs – DETERMINATION OF FURTHER ACTION REQUIRED



PAs IN PUBLIC PRACTICE OTHER THAN AUDITORS – REQUIRED RESPONSES WHEN COMING ACROSS SUSPECTED NOCLAR



PAIBs OTHER THAN SENIOR PAIBs – REQUIRED RESPONSE WHEN COMING ACROSS SUSPECTED NOCLAR

