

**CHARTERED PROFESSIONAL
ACCOUNTANTS OF ONTARIO**

**REGULATION 4-3
OBLIGATIONS AND STANDING**

Adopted by the Council pursuant to the Bylaws on June 16, 2011, continued under the *Chartered Professional Accountants of Ontario Act, 2017*, and as amended to September 28, 2017.

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Adopted by the Council pursuant to the Bylaws on June 16, 2011, continued under the *Chartered Professional Accountants of Ontario Act, 2017*, and as amended to September 28, 2017.

Definitions

1. In this regulation, words have the same meaning as they do in the Act and bylaws; and
 - 1.1 “regulatory organization” includes any organization with the authority to regulate any person, service, goods, or market.

Standing and Suspension

2. All Members, regardless of standing, are responsible for all obligations of membership, but only Members in good standing have the rights and privileges of membership and may provide chartered professional accounting services.

Amended June 18, 2014

3. The Registrar shall suspend the membership of any Member and the registration of any Student, Applicant or Firm, upon the breach by that person of any obligation imposed by CPA Ontario, and such suspension shall remain in effect until the obligation is satisfied, unless otherwise provided in the bylaws or regulations.

4. The Registrar shall suspend the membership of any Member upon the date he or she:

- 4.1 is declared by a court to be a mentally incompetent person or incapable of managing his or her affairs;

Amended September 28, 2017

- 4.2 is certified incompetent to manage his or her estate or appoints the Public Trustee as committee of his or her estate pursuant to the *Mental Health Act*, R.S.O. 1990, c. M. 7, or other statute for the time being in force;

- 4.3 is admitted as or becomes an involuntary patient in a psychiatric facility or continues therein by virtue of a certificate of renewal, pursuant to the *Mental Health Act*, or other statute for the time being in force; or

- 4.4 is found to be unfit to stand trial or not criminally responsible on account of a mental disorder.

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5. A Member who is suspended pursuant to section 4 of this regulation may apply to the Capacity Committee for a hearing to determine whether the Member is incapacitated, and such hearing shall be governed by Regulation 8-2.
6. *Repealed September 28, 2017*
7. A Member or Firm shall forthwith upon being suspended return to CPA Ontario any certificate or licence issued by CPA Ontario.

Bankruptcy

8. A Member shall disclose to the Registrar forthwith upon:
 - 8.1 becoming a bankrupt;
 - 8.2 making a proposal to creditors;
 - 8.3 becoming the subject of a formal proceeding as an insolvent debtor; or
 - 8.4 having a business of which the Member is an owner placed under a receiving order, as defined in the *Bankruptcy and Insolvency Act*.
9. The disclosure referenced in section 8 shall be in writing, and shall include:
 - 9.1 all documentation pertaining to the subject of the disclosure or, if all documentation is not yet available, an undertaking to provide the documentation as soon as it becomes available;
 - 9.2 the pleadings related to the subject of the disclosure or, if the pleadings are not yet filed, an undertaking to provide the pleadings as soon as they become available;
 - 9.3 all documentation pertaining to the financial circumstances of the individual making the disclosure, including, but not limited to, income tax returns, financial statements and financial records; and
 - 9.4 a consent permitting CPA Ontario to directly access information and documents related to the subject of the disclosure from the trustee in bankruptcy, the superintendent in bankruptcy, or the official receiver, as the case may be.
10. The individual making the disclosure shall also provide forthwith any other information or documents requested by or on behalf of the Registrar, unless the individual is asserting in good faith and on reasonable grounds the specific document requested is subject to legal privilege and that privilege is not waived.

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11. The Registrar shall consider the disclosure and the information and documentation provided pursuant to sections 8 through 10, and shall, provided the individual otherwise meets the requirements of this regulation:
 - 11.1 take no further action;
 - 11.2 require the Member to abide by one or more of the following terms and conditions:
 - 11.2.1 satisfactorily complete, within a time specified, prescribed courses or examinations;
 - 11.2.2 engage, for a time specified, an advisor, counsellor or tutor;
 - 11.2.3 satisfactorily complete a period of supervised practice or employment;
 - 11.2.4 restrict his or her practice or employment in a specified manner for a specified period of time;
 - 11.2.5 report as specified to the Registrar on the progress of the subject of the disclosure; or
 - 11.2.6 any other terms and conditions the Registrar deems appropriate; or
 - 11.3 suspend the membership of the Member until the fulfillment of terms and conditions imposed by the Registrar.
12. The Registrar, in making a decision provided for in section 11, shall consider appropriate factors, which may include, but are not limited to:
 - 12.1 the circumstances pertaining to the event requiring disclosure under section 8 and to the conduct of the Member making the disclosure;
 - 12.2 the extent to which the event requiring disclosure may put at risk the interests of:
 - 12.2.1 any client or employer associated with the Member making the disclosure;
or
 - 12.2.2 any other party impacted or affected by the event;
 - 12.3 the number and nature of creditors affected;

- 12.4 whether any potential civil or criminal liability has arisen as a result of the event requiring disclosure;
- 12.5 the current financial circumstances of the Member making the disclosure;
- 12.6 the anticipated date of release from insolvency; and
- 12.7 whether the Member is competent and capable of performing, as a chartered professional accountant, without impairment the essential duties of any current or anticipated employment, business or practice.

Resignation or Surrender

13. A person may apply in writing in [Form 4-3A](#) to the Registrar to resign or surrender any membership or registration granted or licence or certificate issued by CPA Ontario.

14. The Registrar shall not accept any application made under section 13 by a Member or Firm if the Member or Firm:

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14.1 is all or part of a practising unit that is the subject of a practice inspection or a practice reinspection;

14.2 is the subject of an investigation, proposed settlement agreement or Allegations by the Professional Conduct Committee;

14.3 has not fully complied with a settlement agreement or order of a Committee of CPA Ontario;

14.4 owes any dues to CPA Ontario.

15. The Registrar may require a person to fulfill such terms and conditions as, in the discretion of the Registrar, are necessary to protect the public interest and the reputation of the profession prior to accepting the application for resignation, deregistration, or surrender.

Amended September 28, 2017

Reinstatement and Revocation

16. Unless otherwise provided in the bylaws or regulations, the Registrar shall revoke the membership of any Member and the registration or certificate of any person:

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- 16.1 on the third anniversary date of any suspension imposed under the bylaws or regulations unless, prior to that date, the person has taken all necessary steps, including the payment of any fee, to complete an application for reinstatement; or
 - 16.2 if the Member was admitted pursuant to bylaw 4.4.2, forthwith upon such Member ceasing to be a Member of CGA Ontario or CMA Ontario, as the case may be.
- New – June 18, 2014*

Readmission

- 17. An individual who resigned from membership in CPA Ontario while in good standing or whose membership was revoked, other than pursuant to an order of a Committee, may apply to the Registrar to be readmitted by:
 - 17.1 making an application in [Form 4-3B](#) and paying all required fees;
 - 17.2 filing a declaration that the requirements of Regulation 4-5 have been met;
 - 17.3 filing a declaration that the individual has not engaged in any conduct, other than as specifically set out in the declaration, that:
 - 17.3.1 could reasonably be considered a violation of the provisions of the *Chartered Professional Accountants of Ontario Act, 2017*;
 - 17.3.2 if engaged in by a member, could reasonably be considered a violation of the Code of Professional Conduct, bylaws, regulations, or provisions of the *Public Accounting Act, 2004*; or
 - 17.3.3 is the subject of an investigation or is or has been the subject of disciplinary proceedings by a regulatory organization, whether or not the individual is a member of that organization
 - 17.4 providing all information and consents and producing all documentation and other materials as requested by the Registrar; and
- Amended June 18, 2014 and September 28, 2017*
- 17.5 if the individual has not been a member in good standing of CPA Ontario, another provincial body, or an accounting body listed in Schedules A through D of Regulation 6-2 in the five years immediately preceding filing an application for readmission, successfully completing such course(s) and examination(s) as required by the Registrar.

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18. The Registrar shall consider the application for readmission, and may investigate any matter disclosed by the application, and shall:
- 18.1 accept the application and readmit the individual to membership;
 - 18.2 accept the application and readmit the individual to membership upon the individual fulfilling specified terms and conditions; or
 - 18.3 reject the application.
19. In making a determination pursuant to section 18, the Registrar shall consider the appropriate factors and circumstances, which may include, but are not limited to:
- 19.1 information provided by the individual seeking readmission;
 - 19.2 the conduct of the individual prior to the application for readmission;
 - 19.3 whether the individual is of good character;
 - 19.4 whether the individual is competent to practise as a chartered professional accountant; and
Amended June 18, 2014
 - 19.5 the extent to which the individual has fulfilled the terms of any order or other requirement of a regulatory organization.
20. The Registrar shall not readmit to membership in CPA Ontario or, if the individual has been readmitted, shall revoke the readmission of anyone who:
- 20.1 fails to make any disclosure or provide any information or document required by this regulation; or
 - 20.2 provides information or a document that is false or misleading, unless the Registrar is satisfied that the falsehood or misleading is not material and that it was made inadvertently.

Appeal

21. A Member or former Member whose membership is suspended or revoked or whose application for readmission is rejected, and a Student or Applicant who is deregistered may appeal the decision of the Registrar to the Membership Committee.
Amended February 24, 2012
22. The parties to an appeal are the individual appealing and the Registrar.

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23. The appeal shall be conducted in accordance with the Rules.
24. The decision of the Membership Committee is final.