

ACCOUNTING PROFESSIONS ACT, B.E. 2547 (2004)

Translation

BHUMIBOL ADULYADEJ, REX.

Given on the 12th Day of October B.E. 2547;

Being the 59th Year of the Present Reign.

His Majesty King Bhumibol Adulyadej is graciously pleased to proclaim that:

Whereas it is expedient to have the law on accounting professions;

This Act contains certain provisions in relation to the restriction of rights and liberties of persons, in respect of which Section 29, in conjunction with Section 50 of the Constitution of the Kingdom of Thailand, so permit by virtue of law;

Be it, therefore, enacted by the King, by and with the advice and consent of the National Assembly, as follows:

Section 1

This Act is called the "Accounting Professions Act, B.E. 2547 (2004)".

Section 2

This Act shall come into force as from the day following the date of its publication in the Government Gazette.

Section 3

The Auditor Act, B.E. 2505 (1962) shall be repealed.

Section 4

In this Act:

"Accounting professions" means the professional practices in bookkeeping, auditing, administrative accountancy, accounting system setting, taxation accountancy, accounting education and technology, and services concerning other fields of accountancy as prescribed in the Ministerial Regulations;

"Bookkeeper" means the bookkeeper under the law on accountancy;

"General meetings" means ordinary general meetings or extraordinary general meetings;

"Member" means the member of Federation of Accounting Professions;

"Minister" means the Minister having charge and control of the execution of this Act.

Section 5

The Minister of Commerce shall have charge and control of the execution of this Act and shall have the power to issue Ministerial Regulations for the execution of this Act.

Such Ministerial Regulations shall come into force upon their publication in the Government Gazette.

CHAPTER I

Federation of Accounting Professions

Section 6

There shall be a Federation of Accounting Professions being a juristic person with the objectives of promotion and development of accounting professions.

Section 7

The Federation of Accounting Professions shall have powers and duties as follows:

- (1) To promote education, training and research concerning accounting professions;
- (2) To promote unity and uphold honors of members, provide welfare and assistance among members;
- (3) To determine the accounting standards, auditing standards and others standards concerning accounting professions;
- (4) To determine the etiquette of practitioners of accounting professions;
- (5) To register the practice of accounting professions, issue, suspend or revoke the license of practitioners of accounting professions;
- (6) To certify degrees or diplomas in accountancy of any educational institutions for the purpose of admission of members;
- (7) To certify knowledge and expertise in accounting professions;
- (8) To certify the curriculum of expert training courses and continuous learning in any fields of practitioner of accounting professions;
- (9) To control the behavior and performance of members and registered persons concerning practice of accounting professions so as to comply with the etiquette of accounting professions;
- (10) To provide assistance, advice, disseminate and render technical services in connection with accounting professions to the public;
- (11) To issue the Rules of the Federation of Accounting Professions;
- (12) To represent the practitioners of accounting professions;
- (13) To give advice and recommendations to the Government concerning policy and problems of accounting professions;
- (14) To carry out other matters under the objectives and powers and duties of the Federation of Accounting Professions under this Act.

Section 8

The Federation of Accounting Professions may have the following incomes:

- (1) Membership fee and other fees under this Act;
- (2) Subsidy from budgetary appropriations;
- (3) Benefits accruing from assets management and performance of activities of the Federation of Accounting Professions;
- (4) Money and property donated to the Federation of Accounting Professions;
- (5) Interests accruing from the money and assets under (1) (2) (3) and (4).

Section 9

Subject to the provisions of Chapter V, Auditing Professions Practices Control and Chapter VI, Bookkeeping Professions Practices Control, in the case where any field of accounting professions affect national or public interests, or for the purpose of public protection and development or regulation of such field of accounting professions, there may be issued a Royal Decree specifying that such field of accounting profession is required to be licensed or registered by the Federation of Accounting Professions.

Section 10

When a Royal Decree under Section 9 applies to any field of accounting professions, no person shall practice such field of accounting professions unless he or she is licensed or registered by the Federation of Accounting Professions.

Application for license, permission, issuance of license and registration of practitioners of accounting professions under paragraph one shall be in accordance with the forms, rules, procedures, and conditions prescribed in the Rules of the Federation of Accounting Professions.

In the registration of practice of the accounting professions, the Federation of Accounting Professions may determine that a registered person who is not member must pay annual fee. However, such amount of annual fee shall not be greater than annual membership fee and annual licensing fee collected from the member of the Federation of Accounting Professions.

Section 11

A juristic person who renders auditing service, bookkeeping service, or service of the field of accounting professions as prescribed by the Royal Decree under Section 9 must be registered by the Federation of Accounting Professions under the following conditions:

- (1) Such juristic person shall provide securities for liability to third person in the types, quantity, rules and procedures prescribed by the Ministerial Regulation;
- (2) In case of auditing service, the person authorized to sign with binding force upon the juristic person in the auditing service must be an authorized auditor only.

In determining the securities under paragraph one, the size and incomes of such juristic person shall be taken into consideration and supplemented by the opinion of the agencies concerned and the Federation of Accounting Professions.

In the case where an auditor is to be liable to third party, the juristic person to whom the auditor attached shall also be liable as joint debtor. In the case where the entire amount of compensation is not paid, a partner or a director who has the power to sign with binding force upon the juristic person or any representative of the juristic person who is liable in the performance of the juristic person shall be jointly liable to the entire amount of compensation unless he or she can prove that he or she did not know or consent to the commission of the act in question.

CHAPTER II

Members of the Federation of Accounting Professions

Section 12

There are four categories of members of the Federation of Accounting Professions as follows:

- (1) Ordinary members;
- (2) Extraordinary members;
- (3) Associate members;
- (4) Honorary members.

Section 13

An ordinary member must possess the qualifications and must not be under any of the prohibitions as follows:

- (1) Being not less than twenty years of age;
- (2) Being of Thai nationality;

- (3) Having graduated not lower than Bachelor's degree in accountancy, having a diploma or other qualification equivalent to Bachelor's degree in accountancy as certified by the Federation of Accounting Professions or graduated in any other fields as prescribed by the Federation of Accounting Professions;
- (4) Not infringing the professional etiquette which is detrimental to the dignity of accounting professions as prescribed in the Rules of the Federation of Accounting Professions;
- (5) Never having been imprisoned by a final judgment in any case of infringing the professional etiquette which is detrimental to the dignity of accounting professions as prescribed in the Rules of the Federation of Accounting Professions;
- (6) Not being an incompetent or quasi-incompetent person or developing a disease as prescribed in the Rules of the Federation of Accounting Professions.

Section 14

An extraordinary member or an associate member shall be of Thai nationality and must possess the qualifications and must not be under any of the prohibitions as prescribed in the Rules of the Federation of Accounting Professions.

The provisions of paragraph one shall not apply to the person who is not a Thai national but being national of a country which permits Thai national to work as auditor in such country, and he or she wishes to apply for an extraordinary membership; provided that such person must possess the qualifications and must not be under any of the prohibitions under Section 13 (1) (3) (4) (5) and (6).

Section 15

An honorary member is a qualified person who is invited to be member in accordance with the resolution of the Council of the Federation of Accounting Professions.

Section 16

An ordinary member has the rights and duties as follows:

- (1) To express opinions in the general meetings;
- (2) To cast vote in the general meetings;
- (3) To elect, be elected or be appointed as a councilor or Committee member or to hold any other positions in connection with the activities of the Federation of Accounting Professions under this Act;
- (4) To pay membership fee or other fees as prescribed in the Rules of the Federation of Accounting Professions;
- (5) To uphold dignity of accounting professions and perform oneself under the provisions of this Act;
- (6) Any other rights and duties as prescribed by the Federation of Accounting Professions.

An extraordinary member, associate member or honorary member has the rights and duties under (1) (4) (5) and (6).

Section 17

Membership of a member terminates upon:

- (1) Death;
- (2) Resignation;
- (3) Lacking qualifications or being under any of the prohibitions under Section 13 or Section 14 or the Council of the Federation of Accounting Professions resolves to revoke the membership in case of an honorary member;

- (4) Failing to pay membership fee without reasonable cause as prescribed in the Rules of the Federation of Accounting Professions.

Section 18

An ordinary general meeting of the Federation of Accounting Professions shall be held at least once a year.

All the general meetings other than an ordinary general meeting are called extraordinary general meetings.

Section 19

Ordinary members may request to have an extraordinary general meeting held in accordance with the rules and procedures prescribed by the Rules of the Federation of Accounting Professions. In such case, the Chairman of the Federation of Accounting Professions shall convene an extraordinary general meeting within thirty days from the date of receipt of the request.

Section 20

In a general meeting, the presences of not less than two hundreds ordinary members are required to constitute a quorum.

In a general meeting, if after thirty minutes from the time fixed for the meeting has elapsed, but the ordinary members present are still not enough to constitute a quorum under paragraph one, and the meeting is convened under Section 19, in this case the meeting shall be revoked. However, in case the meeting is convened by the Council of the Federation of Accounting Professions, the meeting shall be postponed and the Chairman of the Federation of Accounting Professions shall convene the general meeting again within thirty days. In the latter meeting, the ordinary members present shall be deemed to constitute a quorum.

Section 21

In a general meeting, the Chairman of the Federation of Accounting Professions shall preside over the meeting. If the Chairman of the Federation of Accounting Professions is absent or is unable to perform or does not perform the duties, the first or the second Vice-Chairman of the Federation of Accounting Professions shall preside over the meeting respectively. If the Chairman and Vice-Chairmen of the Federation of Accounting Professions are absent or are unable to perform or do not perform the duties, the ordinary members present shall elect one among themselves to preside over the meeting.

CHAPTER III

Council of the Federation of Accounting Professions

Section 22

The Council of the Federation of Accounting Professions consists of:

- (1) A Chairman of the Federation of Accounting Professions who is to be elected from an ordinary member in a general meeting;
- (2) *ex officio* councilors consisting of every chairman of committees of each field of Accounting Professions, the chairman of Accounting Standard Committee and the chairman of the Etiquette Committee;
- (3) Qualified councilors whom the Chairman of the Federation of Accounting Professions and the *ex officio* councilors under (2) resolve to appoint from two qualified persons in accountancy and a qualified person in law;
- (4) Not exceeding five councilors to be elected from ordinary members in a general meeting.

The Secretary-General of the Federation of Accounting Professions shall be councilor and secretary and may have assistance-secretaries as necessary and by the resolution of the Council of the Federation of Accounting Professions.

Qualifications and prohibitions of the Chairman of the Federation of Accounting Professions, and councilors under (3) and (4), and the rules and procedure on election of the Chairman of the Federation of Accounting Professions and councilors under (4) shall be in accordance with the Rules of the Federation of Accounting Professions.

Section 23

The Chairman of the Federation of Accounting Professions and the councilors under Section 22 (3) and (4) shall hold office for a term of three years.

In the case where the Chairman of the Federation of Accounting Professions or a councilor under Section 22 (3) and (4) vacates office before the end of term or a new councilor under Section 22 (4) is elected in a general meeting during the term of office of the existing councilors, the newly elected or appointed councilor to fill in the vacancy or an additional councilor shall hold office for the remaining term of the councilors already elected or appointed.

At the end of the term under paragraph one, if the new Chairman of the Federation of Accounting Professions has not been elected, or the new councilors under Section 22 (3) have not been appointed, or the new councilors under Section 22 (4) have not been elected, the Chairman of the Federation of Accounting Professions or such councilors who vacate office shall remain in office to continue the performance of duties until the newly elected Chairman and the newly elected or appointed councilors take office.

The Chairman of the Federation of Accounting Professions or the councilors who vacate office upon the expiration of term may be re-elected or reappointed but the Chairman of the Federation of Accounting Professions shall not hold office for more than two consecutive terms.

Section 24

In addition to vacating office upon the end of the term, the Chairman of the Federation of Accounting Professions and the councilors under Section 22 (3) and (4) vacate office upon:

- (1) Death;
- (2) Resignation;
- (3) Loss of membership of the Federation of Accounting Professions;
- (4) Lacking qualifications or being under any of the prohibitions under the Rules of the Federation of Accounting Professions;
- (5) Being dismissed by an order of the Minister under Section 63.

Section 25

The Chairman of the Federation of Accounting Professions shall elect councilors to hold the position of Vice-Chairmen in the number determined by the Council, the position of Secretary-General, Treasurer and Registrar, one person for each position, and other positions in the number determined by the Council of the Federation of Accounting Professions as are necessary.

Section 26

At a meeting of the Council of the Federation of Accounting Professions, the presence of not less than one-half of the total number of the councilors is required to constitute a quorum.

The decision of a meeting shall be made by a majority of votes. Each councilor has one vote. In case of an equality of votes, the person presiding over the meeting shall have an additional vote as a casting vote.

Section 27

The Council of the Federation of Accounting Professions may appoint a sub-committee for considering any matter or performing any act as entrusted.

The provisions of Section 26 shall apply to the meeting of the subcommittee *mutatis mutandis*.

Section 28

The Council of the Federation of Accounting Professions shall have the powers and duties as follows:

- (1) To operate the activities under the objectives of the Federation of Accounting Professions;
- (2) To perform any activities within the powers and duties of the Federation of Accounting Professions under this Act;
- (3) To propose a draft Rules of the Federation of Accounting Professions in any subject matters as provided in this Act to the general meeting of the Federation of Accounting Professions;
- (4) To convene the general meetings;
- (5) To issue regulations for the implementation of this Act.

Section 29

Not less than one hundred ordinary members may collectively propose a draft Rules of the Federation of Accounting Professions under Section 28 (3) to the Federation of Accounting Professions.

The Council of the Federation of Accounting Professions shall forthwith convene a general meeting to consider the draft Rules of the Federation of Accounting Professions under paragraph one.

Section 30

The procedure of proposal and consideration of the draft Rules shall be in accordance with the Rules of the Federation of Accounting Professions.

The draft Rules of the Federation of Accounting Professions on membership fee or other fees, or the draft Rules under Section 22 paragraph three, Section 43 paragraph one and Section 44 paragraph two shall be required to be approved by the Accounting Professions Supervising Commission.

The draft Rules of the Federation of Accounting Professions approved by the Federation of Accounting Professions or by the Accounting Professions Supervising Commission under paragraph two, as the case may be, shall come into force upon signature of the Chairman of the Federation of Accounting Professions and the publication in the Government Gazette.

Section 31

In the conduct of its external affairs, the Chairman of the Federation of Accounting Professions shall have power to represent the Federation.

For this purpose, the Chairman of the Federation of Accounting Professions may entrust in writing another councilor to act on his behalf in any specific matter.

Section 32

For the purpose of development and promotion of any field of practice of accounting professions, there shall be an accounting committee for each specific field consisting of a chairman and other members in the number prescribed by the Council of the Federation of Accounting Professions.

The chairman of each field of accounting committee shall be elected by ordinary members in the general meeting of the Federation of Accounting Professions.

The qualifications and prohibitions of the chairman and committee members of accounting professions under paragraph one, as well as the appointment, election, holding of or removal from office, powers and duties, and other performance of activities by the chairman or committee members of accounting professions shall be in accordance with the Rules of the Federation of Accounting Professions.

CHAPTER IV

Accounting Standards Committee

Section 33

There shall be an "Accounting Standard Committee" consisting of not less than seven but not more than eleven qualified members appointed by the Council of the Federation of Accounting Professions from the persons with knowledge, expertise and experience in accountancy, and the representative of the Department of Insurance, the representative of the Department of Business Development, the representative of the Department of Revenue, the representative of the Bank of Thailand, the representative of the Office of the Auditor General, and the representative of the Office of Securities and Securities Exchange Commission as members.

Qualified Committee members shall hold office for a term of three years.

The members under paragraph one shall elect one among themselves to be chairman and another one to be secretary.

The qualifications, prohibitions, election and vacation from office of the qualified committee members shall be in accordance with the Rules of the Federation of Accounting Professions.

Section 34

The Accounting Standard Committee shall have powers and duties to determine and revise the accounting standard for use as a standard of bookkeeping under the law on accountancy or other laws.

The Accounting standard must be made in Thai language.

The accounting standard determined or revised by the Accounting Standard Committee shall come into force upon the approval of the Accounting Professions Supervising Commission and upon its publication in the Government Gazette.

After having been informed by a bookkeeper, a person having the duty of bookkeeping, a person using financial information, the Department of Insurance, the Department of Business Development, the Department of Revenue, the Bank of Thailand, the Office of the Auditor General, the Office of Securities and Securities Exchange Commission, or any other State agencies about the problems of compliance with the accounting standard which may give rise to damage, or the compliance thereof might be detrimental to the economy of the country or might hinder the operation of business, the Accounting Standard Committee must forthwith proceed to carry out an investigation and hearing of opinions from the persons concerned, and thereby determine, revise, or develop the accounting standard in question.

Section 35

The Accounting Standard Committee may appoint a subcommittee to consider or perform any act as entrusted.

Section 36

The provisions of Section 26 shall apply *mutatis mutandis* to the Accounting Standard Committee and the sub-committee appointed by it.

CHAPTER V

Auditing Professions Practices Control

Section 37

In the case required by law to be audited or signed by an auditor certifying any document or opinion of the auditor, no person shall put his or her signature to certify an audit, document or opinion in the capacity of an auditor unless he or she is an authorized auditor or duly act in his or her official capacity.

Section 38

Any person shall be an authorized auditor upon being granted a license from the Federation of Accounting Professions.

The application for a license, permission, and issuance of a license to be authorized auditor shall be in accordance with the forms and rules prescribed in the Rules of the Federation of Accounting Professions.

After having received a license and it is not a suspended or revoked, the authorized auditor shall be exempt from applying the license from the Director-General of the Revenue Department in the examination and certification of an account under the Revenue Code.

Section 39

A person applying for a license to be authorized auditor must possess the qualifications and must not be under any of the prohibitions as follows:

- (1) Being an ordinary or extraordinary member under Section 14 paragraph two; provided that in case of an extraordinary member who is an alien wishing to be authorized auditor, he or she must be sufficiently familiar with Thai language so as to be able to audit and prepare a report in Thai language. Moreover, he or she must have a domicile in Thailand and after having received the license, he or she must also be granted a license under the law on working of aliens as well;
- (2) Passing the proficiency test, training course or program, or having experience in auditing as prescribed in the Rules of the Federation of Accounting Professions;
- (3) Never having been imprisoned by a final judgment in an offence under Section 269, Section 323 or an offence relating to property except for the offence of mischief or trespass under the Penal Code, an offence under the law on accountancy, the law on authorized auditor or the law on determining the offence against registered partnership, limited partnership, company limited, association and foundation only in respect of that relating to certifying incorrect financial statement or any other accounts or making false report, or an offences under Chapter V and Chapter VI of this Act, unless he or she has been sentenced released for not less than five years;
- (4) Not being a bankrupt;
- (5) Possessing any other qualifications and not being under any of the prohibitions prescribed in the Rules of Account Professions.

Section 40

The authorized auditor whose license has been revoked may re-apply for a license after five years from the date of revocation of the license.

Provided that if the Council of the Federation of Accounting Professions has examined the application and refused to grant a license, the applicant may not re-apply for a license unless after the period of one year has elapsed from the date of refusal by the Council of the Federation of Accounting Professions. However, if the Council of the Federation of

Accounting Professions refuses for the second time, the right to re-apply for a license shall be exhausted.

Section 41

License to be authorized auditor is a lifelong license. But the authorized auditor must pay the license fees as prescribed by the Federation of Accounting Professions.

The license to be authorized auditor terminates upon:

- (1) Death;
- (2) Loss of membership of the Federation of Accounting Professions;
- (3) Lacking qualifications or being under any of the prohibitions under Section 39;
- (4) The license is revoked due to infringement of professional etiquette;
- (5) Failing to pay license fee without being granted grace period as prescribed by the Council of the Federation of Accounting Professions;
- (6) Failing to attend the training course as required by the Federation of Accounting Professions under Section 43 without an order of suspension of license of the Federation of Accounting Professions.

Section 42

Upon receipt of an application, if the Federation of Accounting Professions considers that the applicant possesses the qualifications and not being under any of the prohibitions as prescribed under Section 39, it shall forthwith grant the license not exceeding 90 days from the date of receipt of the application.

In the case where the Federation of Accounting Professions refuses to grant a license to an applicant, the Federation must clearly notify the reasons of such refusal. In this case, such applicant has the right to submit an appeal to the Accounting Professions Supervising Commission in accordance with the rules and procedures prescribed by the Commission.

Section 43

An authorized auditor has the duty to attend the training course or seminar in accordance with the rules and procedures prescribed in the Rules of the Federation of Accounting Professions.

The Federation of Accounting Professions may issue an order suspending the license of an authorized auditor unless he complies with paragraph one.

CHAPTER VI

Bookkeeping Profession Practice Control

Section 44

No person shall practice the bookkeeping profession unless he or she is a member of the Federation of Accounting Professions or has been registered by the Federation of Accounting Professions.

The rules procedures and conditions of registration under paragraph one shall be in accordance with the Rules of the Federation of Accounting Professions.

Section 45

A bookkeeper who wishes to be registered by the Federation of Accounting Professions must possess the qualifications and must not be under any of the prohibitions as follows:

- (1) Having domicile or a place of residence in the Kingdom of Thailand;

- (2) Being sufficiently familiar with Thai language so as to be able to render bookkeeping in Thai language;
- (3) Never having been imprisoned by a final judgment in an offence or in violation of the laws prescribed in Section 39 (3) unless he or she has been sentenced or released for not less than three years;
- (4) Having academic qualifications as prescribed in the Rules of the Federation of Accounting Professions;
- (5) Not being under any other prohibitions as prescribed in the Rules of the Federation of the Accounting Professions.

CHAPTER VII

Etiquette of Practitioner of the Accounting Professions

Section 46

A practitioner of the accounting professions or the person registered by the Federation of Accounting Professions shall have the duties to comply with the etiquette of practitioner of the accounting professions, and must perform the duties in accordance with the accounting standard, auditing standard or any other concerned standards under this Act.

Any persons under paragraph one who fails to comply with the etiquette or standard as prescribed in this Act shall be deemed to infringe the professional etiquette.

Section 47

The Federation of Accounting Professions shall elaborate the Etiquette of Practitioner of the Accounting Professions in Thai language which shall at least consist of the following provisions:

- (1) Transparency, autonomy, fairness and integrity;
- (2) Knowledge, capacity and performance standard;
- (3) Liability to customers and confidentiality;
- (4) Liability to shareholders, partners or the persons or juristic persons whom the practitioner of accounting professions serves.

Section 48

Any statements in an audit hiring contract which restricts or exempts the liability of the authorized auditor shall be void.

An authorized auditor shall not render an auditing report stipulating that he or she is not liable to the auditing result or showing ambiguity in the auditing result due to incomplete performance of duties as may be expected from an authorized auditor or auditing standard.

The act under paragraph two shall be deemed infringement of professional etiquette.

Section 49

Infringement of professional etiquette shall be subject to the following penalties:

- (1) Warning in writing;
- (2) Probation;
- (3) Suspension of license or registration or prohibition of accounting profession practice in the branch which he or she has infringed the professional etiquette for a period of not exceeding three years;

- (4) Revocation of license or registration, or dismissal of membership of the Federation of Accounting Professions.

Section 50

There shall be an Etiquette Committee of not less than nine but not exceeding fifteen members appointed by the Council of the Federation of Accounting Professions, with the approval of the general meeting, from the persons with apparent fairness and integrity and possessing qualifications but not being under any of the prohibitions as follows:

- (1) Being an ordinary member;
- (2) Having practiced accounting profession for a period of not less than that prescribed in the Rules of the Federation of Accounting Professions;
- (3) Never having been punished due to infringement of professional etiquette of practitioner of the accounting professions;
- (4) Not holding the position of Chairman of the Federation of Accounting Professions, or other committee or sub-committee member under this Act.

In the case where it is appropriate to have a uniform standard of decision on infringement of professional etiquette among Government agencies or other State agencies and the Etiquette Committee, the Federation of Accounting Professions, with the approval of the general meeting, may request to the Government agency or other State agency which is designated by law with the duties to supervise the etiquette of practitioner of accounting professions to appoint its representative to be Etiquette Committee member under paragraph one. In this case, the provisions of paragraph one (1) and (2) shall not apply.

The Etiquette Committee members shall elect one among themselves to be chairman and there may be other positions as determined by the Etiquette Committee.

Section 51

An Etiquette Committee member shall hold office for a term of three years and may be re-appointed but not for more than two consecutive terms.

An Etiquette Committee member who vacates office at the end of term shall perform the duties for the time being until a new member takes office.

Section 52

In addition to vacating office at the end of the term, an Etiquette Committee member vacates office upon:

- (1) Death;
- (2) Resignation;
- (3) Lacking qualifications or being under any of the prohibitions under Section 50;
- (4) Being removed by resolution of not less than two-thirds of the ordinary members present in the general meeting of the Federation of Accounting Professions but the votes shall not be less than two hundred.

In case of vacancy of office before the end of term, the Council of the Federation of Accounting Professions shall appoint an Etiquette Committee member to fill the vacancy for the time being. And the newly appointed Etiquette Committee member shall perform the duties until the next general meeting.

Section 53

When there is an allegation or it appears to the Etiquette Committee that a practitioner of accounting profession or any person who has been registered by the Federation of Accounting Professions infringes the professional etiquette, the Etiquette Committee shall forthwith carry out an investigation.

The right to allege under paragraph one shall terminate after one year from the date on which the infringement of etiquette or the person who infringed the etiquette is known by the injured person or the alleging person but this shall not exceed three years from the date of infringement.

The submission of allegation, investigation and consideration of an etiquette case shall be in accordance with the Rules of the Federation of Accounting Professions.

In the investigation, the Etiquette Committee may appoint a sub-committee consisting of at least one Committee member and other sub-committee members appointed from persons who possess the qualifications and not be under any of the prohibitions under Section 50 (1) (3) and (4), in the number as it deems appropriate.

The Etiquette Committee and sub-committee shall have the power to summon the related persons to give oral statements or fact, or an explanation in writing, or submit an account, a book of register, documents or other evidences for examination or supplementing the consideration for the benefit of investigation.

When the sub-committee has finished the investigation thereof, it shall submit the case together with an opinion to the Etiquette Committee for consideration.

Withdrawal of the allegation which has already been submitted shall not suspend the proceeding under this Act.

Section 54

When the Etiquette Committee has considered the investigation result and resolves that any person has infringed the professional etiquette, it shall inflict upon him or her a punishment under Section 49.

In the case where the Etiquette Committee resolves that the accused person has not infringed the professional etiquette, the allegation shall be withheld.

In issuing an order inflicting punishment under paragraph one or an order dismissing the allegation under paragraph two, the alleging person and the accused person shall be forthwith informed of the order in writing.

Section 55

An alleging person or the person who has been punished by an order of the Etiquette Committee has the right to appeal against the order under Section 54 to the Accounting Professions Supervising Commission within thirty days from the date of receiving the order in accordance with the rules and procedure prescribed by the Accounting Professions Supervising Commission.

The decision of the Accounting Professions Supervising Commission shall be final.

An appeal of order shall not stay the execution in compliance with the order inflicting punishment, except otherwise ordered by the Accounting Professions Supervising Commission.

Section 56

In the performance of duties under this Act, the Etiquette Committee members and the sub-committee members appointed by the Committee shall be competent officials under the Penal Code.

Section 57

Any Etiquette Committee or sub-committee member having personal conflict of interest in a case under consideration shall not participate in the consideration, consultation or voting in that case.

Section 58

The provisions of Section 26 shall apply *mutatis mutandis* to the meeting of the Etiquette Committee or sub-committee.

CHAPTER VIII

Supervision

Section 59

There shall be a Commission called the "Accounting Professions Supervising Commission" consisting of:

- (1) The Permanent Secretary for Commerce as chairman;
- (2) *ex officio* commissioners are: the Director-General of the Department of Insurance, Director-General of the Revenue Department, Auditor General, Governor of the Bank of Thailand, Secretary-General of the Office of Securities and Exchange Commission, Chairman of the Federation of Accounting Professions, Chairman of the Federation of Thai Industries, Chairman of the Thai Banker's Association and Chairman of the Thai Chamber of Commerce;
- (3) Qualified commissioners appointed by the Minister from two persons having knowledge and expertise in accountancy and a person having knowledge and expertise in law.

The Director-General of the Department of Business Development shall be commissioner and secretary and shall appoint officers of the Department of Business Development to be assistant-secretaries as are necessary. The Department of Business Development shall perform the administrative works and support the performance of activities of the Accounting Professions Supervising Commission as entrusted by the Commission.

Qualified commissioners under (3) shall hold office for a term of three years and may be re-appointed but not for more than two consecutive terms.

Section 60

The Accounting Professions Supervising Commission shall have powers and duties as follows:

- (1) To supervise the performance of activities of the Federation of Accounting Professions so as to comply with the law and to be consistent with the objectives of the Federation of Accounting Professions;
- (2) To suggest in issuance of a Royal Decree under Section 9;
- (3) To give approval to the Rules of the Federation of Accounting Professions under Section 30 paragraph two and to the Accounting Standards under Section 34 paragraph three;
- (4) To consider the appeals of the applicant to be authorized auditor under Section 42 paragraph two;
- (5) To consider the appeal of the alleging person or the person who has been punished by an order of the Etiquette Committee under Section 55 paragraph one;
- (6) To appoint a sub-commission to perform the activities within the powers and duties of the Accounting Professions Supervising Commission.

Section 61

In the performance of activities of the Accounting Professions Supervising Commission under Section 60 (1), the Commission shall also have the following powers:

- (1) To investigate the facts relating to the performance of activities of the Federation of Accounting Professions;

- (2) To issue an order in writing to any councilor of the Federation or other Committee or sub-committee member or any person to give statement of facts relating to the activities of the Federation of Accounting Professions;
- (3) To issue an order in writing to the Federation of Accounting Professions, Committee or sub-committee under this Act to stop, correct or provide a measure for correction of any act which is in conflict with the law, objectives or Rules of the Federation of Accounting Professions.

Section 62

The provisions of Section 26 shall apply *mutatis mutandis* to the meeting of the Accounting Professions Supervising Commission and the sub-commission appointed by it.

Section 63

When it appears that the Chairman of the Federation of Accounting Professions, any Committee or sub-committee member under this Act does not comply with an order of the Accounting Professions Supervising Commission or acts in a manner seriously detrimental to the Federation of Accounting Professions, the Accounting Professions Supervising Commission shall forthwith investigate and submit the result of consideration to the Minister for issuing an order removing the Chairman of the Federation of Accounting Professions, or such councilor, Committee or sub-committee member from office.

The order of the Minister shall be final.

When any *ex officio* councilor under Section 22 (2) is removed from office under paragraph one, he or she shall also vacate office under Section 22 (2).

Section 64

In the case where the Minister issues an order removing councilors of the Federation under Section 63 and thereby reducing the number of councilors to be less than half of the number of councilors under Section 22, the Minister shall, on the date of issuing such order, appoint a number of ordinary members of the Federation to be temporary councilors to fill the vacancy up to the number of councilors permitted under Section 22.

An election or appointment of new councilor under 22 shall be held within ninety days from the date the Minister issues an order appointing temporary councilor, unless the remaining term of office is less than one hundred and eighty days, the Minister may order not to hold such election. In this case the person elected or appointed shall hold office only for the remaining term of office of the one he or she replaces.

Temporary councilor appointed by the Minister shall vacate office when the new councilor takes office.

CHAPTER IX

Penalties

Section 65

Any person who violates Section 10 shall be liable to imprisonment for a term not exceeding three years or to a fine not exceeding sixty thousand Baht or to both.

Section 66

Any juristic person who violates or fails to comply with Section 11 shall be liable to a fine not exceeding three hundred thousand Baht and to an additional fine of not exceeding ten thousand Baht a day until the compliance is fulfilled.

Section 67

Any person who violates Section 37 shall be liable to imprisonment for a term not exceeding three years or to a fine not exceeding sixty thousand Baht or to both.

Section 68

Any authorized auditor who renders auditing service during his license is suspended under Section 43 shall be liable to imprisonment for a term not exceeding three years or to a fine not exceeding sixty thousand Baht or to both.

Section 69

Any person who violates Section 44 shall be liable to imprisonment for a term not exceeding two years or to a fine not exceeding forty thousand Baht or to both.

Section 70

Any practitioner of accounting professions or any person registered by the Federation of Accounting Professions who practices the profession during the period of punishment of infringing professional etiquette under Section 49 (3) or (4) shall be liable to imprisonment for a term not exceeding three years or to a fine not exceeding sixty thousand Baht or to both.

Section 71

Any person who fails to comply with an order of the Etiquette Committee under Section 53 paragraph five or an order of the Accounting Professions Supervising Commission under Section 61 (2) or (3) shall be liable to imprisonment for a term not exceeding one month or to a fine not exceeding one thousand Baht or to both.

Section 72

In the case where the offender who is liable to punishment under this Act is a juristic person, the director who has the power to sign with binding force upon the juristic person, managing partner, representative of the juristic person or any person who is responsible to the performance of activities of the juristic person shall also be liable to punishment prescribed by law for such offence unless he or she can prove that he or she did not know or consent to the commission of the offence.

Transitory Provisions

Section 73

An authorized auditor under the Auditor Act, B.E. 2505 (1962) on the date this Act comes into force shall be an authorized auditor under this Act until the license expires or is revoked under this Act.

Section 74

In the initial period, the Council of the Institute of Certified Accountants and Auditors of Thailand shall act as the Council of the Federation of Accounting Professions until the Council of the Federation of Accounting Professions under this Act takes office. And the Chairman of the Institute of Certified Accountants and Auditors of Thailand shall be deemed the Chairman of the Federation of Accounting Professions until the Chairman of the Federation of Accounting Professions is elected under this Act but this shall not exceed one hundred and eighty days from the date this Act comes into force.

Section 75

Up to the time when the number of members of the Federation of Accounting Professions reaches five hundred, the Accounting Professions Supervising Commission shall act as the Council of the Federation of Accounting Professions for the purpose of giving consent or approval to the Rules of the Federation of Accounting Professions.

Section 76

All the Ministerial Regulations, Rules or Notifications issued under the Auditor Act, B.E. 2505 (1962) shall continue to be in force until the Ministerial Regulations, Rules or Notifications on the same subject matter are issued under this Act.

In the case where the Ministerial Regulations, Rules or Notifications issued under the Auditor Act, B.E. 2505 (1962) cannot be complied with in any subject matter, the Accounting Professions Supervising Commission shall specifically or generally determine a procedure or exempt any procedure in that subject matter.

Section 77

In the initial period where there is no accounting standards determined under this Act, the Accounting Professions Supervising Commission may determine that the accounting standards prescribed by the Institute of Certified Accountants and Auditors of Thailand and are widely used before the date this Act comes into force be, for the time being, the accounting standards under this Act.

Section 78

Any juristic person who has rendered auditing or accounting services before the date this Act comes into force shall apply for registration to the Federation of Accounting Professions within one year from the date this Act comes into force under the following conditions:

- (1) The securities under Section 11 (1) must be completely provided within the period prescribed in the Ministerial Regulation which shall not exceed three years;
- (2) Correctly and completely comply with Section 11 (2) within three years from the date this Act comes into force.

Countersigned by

Pol.Lt.Col. Thaksin Shinawatra

Prime Minister

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