

MUTUAL RECOGNITION AGREEMENT

Recommended by

**Comité Mexicano para la Práctica Internacional de la Contaduría
and
Instituto Mexicano de Contadores Públicos, A.C.**

and

**CPA Canada
Representing
The ten provincial bodies of Canadian Chartered Professional Accountants
and
The Yukon territorial body of the
Canadian Chartered Professional Accountants
and
The Accounting body of the Northwest Territories and Nunavut**

and

**US International Qualifications Appraisal Board
Representing
National Association of State Boards of Accountancy
and
American Institute of Certified Public Accountants
NASBA
AICPA**

MUTUAL RECOGNITION AGREEMENT

Introduction

The United States-Mexico-Canada Free Trade Agreement (NAFTA: North American Free Trade Agreement) became effective January 1, 1994. Prompted by this Free Trade Agreement and by a common commitment to eliminate impediments to reciprocity, the US IQAB, representing the National Association of State Boards of Accountancy (NASBA) and the American Institute of Certified Public Accountants (AICPA), the Comité Mexicano para la Práctica Internacional de la Contaduría (COMPIC), the Instituto Mexicano de Contadores Públicos, A.C. (IMCP) and CPA Canada, representing itself and the ten Provincial Chartered Professional Accounting bodies and the Yukon Territory Chartered Professional Accountants body and the accounting body of the Northwest Territories and Nunavut¹ known collectively as the "Parties" to this document have achieved consensus on the principles for a Mutual Recognition Agreement under the terms of annex 1210.5 of the NAFTA.

The State Boards of Accountancy or their equivalent in each of the US's jurisdictions (State Boards), which act pursuant to their authorizing statutes, are legislatively empowered by law to protect the public interest by granting and regulating the Certified Public Accountant credential and license to practice. The IMCP is empowered to issue the Contador Público Certificado (CPC) credential to qualified applicants. Subject to the laws and regulations in each jurisdiction, the various Provincial and Territorial CPA Bodies of the Canadian CPA profession within Canada's 12 jurisdictions are empowered to issue the Chartered Professional Accountant credential to qualified applicants. The State Boards, the Canadian Provincial and Territorial CPA Bodies, and the Mexican Dirección General de Profesiones de la Secretaría de Educación Pública / IMCP grant respectively the US CPA, Canadian CPA, Mexican CPC credentials and either grant licenses to practice, grant access to audit and to other services requiring provincial registration or licensure², or their members have access to a license to practice.

NASBA and the AICPA jointly established the International Qualifications Appraisal Board (US IQAB) to:

1. Assist State Boards seeking to establish abbreviated pathways through which experienced professionals, who hold substantially equivalent foreign professional accounting credentials, may obtain a Certified Public Accountant license in their state (US CPA credential); and
2. Enable US CPAs to obtain foreign professional accounting credentials and the right to practice through similar abbreviated pathways.

¹ All ten of the Provincial CPA bodies and the Yukon territorial body (parties to unification of the CPA profession) are now Organization Members of CPA Canada. The Northwest Territories and Nunavut are both awaiting passage of CPA legislation; in the meantime, the three legacy bodies in those jurisdictions have entered into an agreement to act as a unified body. In addition, the governments of the Northwest Territories and Nunavut have agreed to the use of the CPA designation prior to the passage of CPA legislation.

² In Canada, the provincial CPA bodies have different levels of regulation. Whereas all provincial CPA bodies regulate access to audit some provincial CPA bodies also regulate other services such as review engagements, compilation engagements and tax services.

The COMPIC was established by the Mexican government to address issues related to the provision of accountancy professional services subject to the NAFTA. COMPIC and the IMCP established abbreviated pathways through which individuals, who hold substantially equivalent foreign professional accounting credentials, may obtain a Contador Publico Certificado (CPC) credential and to assist them to obtain a license to practice. COMPIC and the IMCP will enable Mexican CPCs to obtain foreign professional accounting credentials through similar abbreviated pathways.

The Chartered Professional Accountants of Canada (CPAC) and the ten Provincial and two Territorial Bodies of Chartered Professional Accountants in Canada and the Chartered Professional Accountants of Bermuda jointly established the Canadian International Qualifications Appraisal Board (Canadian IQAB) to:

1. Conduct studies and reviews of professional accounting bodies outside Canada and to recommend to the ten Provincial and two Territorial Bodies of Chartered Professional Accountants in Canada whether and under what conditions, if any, members of any such professional accounting body outside Canada may be admitted to membership based on the foreign qualification they hold; and
2. Enable Canadian CPAs to obtain foreign professional accounting credentials through similarly predesigned pathways.

Believing that there are a significant number of US CPAs / Mexican CPCs / Canadian CPAs who desire to obtain the US CPA credential / Mexican CPC credential / Canadian CPA credential, the Parties set out to evaluate each other's credential to ascertain if they are substantially equivalent and would thus allow all three Parties to offer qualified holders of either of the other two credentials an abbreviated qualification pathway.

Eligibility of Applicants under this Agreement:

To be eligible for this agreement applicants must affirm that they are capable of performing audit and attest services based on their competence to complete such services according to the relevant professional standards³, including having the requisite additional experience/training necessary for such work.

Basis of Review

The Parties have reviewed each other's credential requirements for entry-level qualification and maintenance of the credential. The review included a comparison of each other's education, experience, examination and other qualification requirements as well as such factors as continuing education, adherence to a code of ethics, enforcement and judicial processes, organizational structure, administrative responsibilities and other credential maintenance requirements to their own corresponding requirements.

The US IQAB compared the COMPIC/IMCP and CPAC requirements to those set out in the Uniform Accountancy Act (UAA). The UAA is a model law, and not enforceable. Much of

³ US CPAs generally practice under standards set by the Financial Accounting Standards Board, the Public Company Accounting Oversight Board, the AICPA, and the International Accounting Standards Board. In Mexico, the professional standards refer to the Normas de Auditoría para Atestiguar, Revisión y otros Servicios Relacionados. Canadian CPAs generally practice under standards set by the Accounting Standards Board, the International Accounting Standards Board, U.S. Financial Accounting Standards Board, the Public Sector Accounting Standards Board, and the Auditing and Assurance Standards Board

the UAA's language is used by the US jurisdictions and State Boards as they draft the laws and rules that must be followed. Each individual US jurisdiction's requirements can be found in that jurisdiction's laws and rules.

The COMPIC/IMCP compared the UAA and CPAC requirements to those set out in the Reglamento de Certificación Profesional de los Contadores Públicos.

The Canadian IQAB compared the UAA and IMCP requirements to the education, examination and experience requirements of the Certification Program of the Chartered Professional Accountant which includes completion of the CPA Professional Education Program (or accredited equivalent) and passing the Canadian CPA Profession's Common Final Examination (CFE).

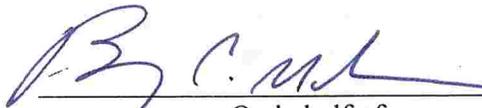
Basis of Recognition

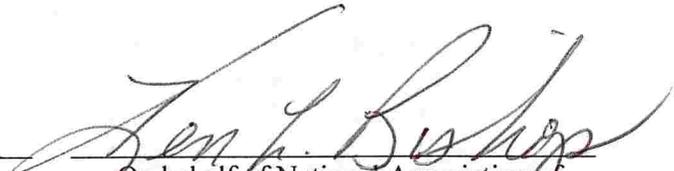
As a result of these reviews, the Parties are satisfied that the US CPA credential, Mexican CPC credential, and Canadian CPA credential are substantially equivalent subject to the conditions set forth in this document and accompanying appendices.

Therefore, each Party agrees:

1. To create an abbreviated qualification pathway for eligible holders of the others' credential.
 - a. A holder of a Mexican CPC credential or Canadian CPA credential will be eligible to obtain the US CPA credential via this agreement if that holder meets the eligibility requirements set out for her/his credential in Appendix 1A.
 - b. A holder of a US CPA credential or Canadian CPA credential will be eligible to obtain the Mexican CPC credential via this agreement if that holder meets the eligibility requirements set out for her/his credential in Appendix 1B.
 - c. A holder of a US CPA credential or Mexican CPC credential will be eligible to obtain the Canadian CPA credential via this agreement if that holder meets the eligibility requirements set out for her/his credential in Appendix 1C.
2. That an eligible holder, as set out in 1 above, may obtain one of the other credentials via the following abbreviated pathways.
 - a. The abbreviated pathway to the US CPA credential for eligible holders of a Mexican CPC credential or Canadian CPA credential is set out in Appendix 2A.
 - b. The abbreviated pathway to the Mexican CPC credential for eligible holders of a US CPA credential or Canadian CPA credential is set out in Appendix 2B.
 - c. The abbreviated pathway to the Canadian CPA credential for eligible holders of a US CPA credential or Mexican CPC credential is set out in Appendix 2C.
3. To assist holders of another Party's credential, who are both eligible for an abbreviated pathway, as set out in 1 above, and who successfully complete the abbreviated pathway, as set out in 2 above, to obtain licensure in their respective jurisdiction.
 - a. Appendix 3A sets out the process that a Mexican CPC credential or Canadian CPA credential holder should follow to obtain licensure in the United States.

- b. Appendix 3B sets out the process that a US CPA credential or Canadian CPA credential holder should follow to obtain licensure in Mexico and the assistance that the IMCP will provide to that individual.
 - c. Appendix 3C sets out the process that a US CPA credential or Mexican CPC credential holder should follow to obtain access to audit and to other services requiring provincial registration or licensure, in Canada and the assistance that the CPA Provincial Bodies will provide to that individual.
4. That this agreement shall be in force for a period of five years from the date of consummation. The agreement may be renewed or extended through mutual agreement.
5. To inform the other Parties by December 31st of each year, if any:
 - a. Material changes are made to the qualification requirements of their credential.
 - b. Mutual recognition agreements, reciprocal membership agreements, or other similar agreements are signed or renewed with other institutes or professional accountancy organizations.
 - c. New or existing pathways to membership or licensure for foreign credential holders are initiated or materially altered.
 - d. Strategic alliances, joint ventures, or material relationships with other institutes or professional accountancy organizations are initiated or materially altered.
 - e. The number of members from each of the three countries who have applied under this agreement.
6. That any Party may, with 60 (sixty)-days' notice, withdraw their consent to this agreement for just cause.


On behalf of
American Institute of
Certified Public Accountants


On behalf of National Association of
State Boards of Accountancy

Nov 01, 2017
Date

Nov 01, 2017
Date

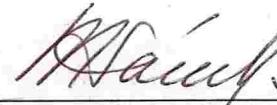

On behalf of US
International Qualifications Appraisal Board


On behalf of Instituto Mexicano de
Contadores Públicos, A.C.

Nov 01, 2017
Date

Nov 01, 2017
Date


On behalf of CPA Canada on behalf of itself
and the Ten CPA Provincial and Two
Territorial bodies of Chartered Professional
Accountants of Canada


On behalf of Comité Mexicano para la
Práctica Internacional de la Contaduría

Nov 01 2017
Date

Nov. 01, 2017
Date

Appendix 1A – Part 1

Eligibility Requirements for Members of Chartered Professional Accountants of Canada (CPA Canada)

A holder of a Canadian CPA credential may be eligible to obtain the US CPA credential via this agreement if they are a member in good standing of CPA Canada and the holder's Provincial/Territorial Body, and meets the additional criteria set out in each of the following sections and applicable state law.

1) Education Criteria:

The Uniform Accountancy Act (UAA) requires at least 150 semester hours of college or university education, including a baccalaureate or higher degree conferred by a college or university deemed acceptable by the State Board. US jurisdictions' legal requirements are identical or similar to the education criteria set forth in this model law. Additionally, many US jurisdictions' laws and US Board rules mandate the completion of specific coursework and the satisfaction of additional education criteria for licensure. Each individual US jurisdiction's education requirements can be found in that jurisdiction's laws and rules.

Legacy Credential Holders:

The Canadian CPA Profession was established through the unification of the Chartered Accountants (CA), the Certified Management Accountants (CMA) and the Certified General Accountants (CGA) in Canada. These three organizations respectively issued the legacy CA, CMA and CGA credentials.

To meet the education criteria of the eligibility requirements of this agreement, Canadian CPAs who obtained their CPA credential by virtue of their having earned one of the three legacy credentials must:

1. Hold at least a baccalaureate or higher degree; and
2. Have completed the relevant legacy body's educational program; and
3. Either have been granted the right to perform audits by the designated authority in their home province or territory or must demonstrate that they have met the educational requirement for this right in their home province or territory through their legacy education program or by having successfully completed CPA Canada's Post Designation Public Accounting module.

Post-Unification CPA Credential Holders:

To meet the education criteria of the eligibility requirements of this agreement, Canadian CPAs who obtained their CPA credential by completing CPA Canada's Professional Education Program (PEP) or a graduate program at a post-secondary institution accredited by a Provincial CPA Body must:

1. Hold at least a baccalaureate or higher degree; and
2. Either have been granted the right to perform audits by the designated authority in their home province or territory or must demonstrate that they meet the current educational requirement for this right in their home province or territory by having successfully completed either:
 - i. Both of the elective modules which are mandatory for CPA candidates pursuing careers in public accounting (i.e. the PEP Tax and PEP Assurance modules or their equivalent in a graduate program at a post-secondary institution accredited by a Provincial CPA Body); or

- ii. CPA Canada's Post Designation Public Accounting module.

2) Examination Criteria:

Under the UAA and under all US jurisdictions' laws and rules, passage of the Uniform CPA Examination is a necessary prerequisite for licensure as a US CPA. Each individual US jurisdiction's examination requirements can be found in that jurisdiction's laws and rules.

Legacy Credential Holders:

To meet the examination criteria of the eligibility requirements of this agreement, Canadian CPAs who obtained their CPA credential by virtue of being a legacy credential holder must have passed the full capstone final examination for their legacy credential.

In addition, legacy CAs, CGAs, and CMAs must either have been granted the right to perform audits by the designated authority in their home province or territory or must demonstrate that they have met the examination requirement for this right in their home province or territory by having successfully passed the licensing examination of their legacy body or by having successfully passed CPA Canada's Post Designation Public Accounting examination.

Post-Unification CPA Credential Holders:

To meet the examination criteria of the eligibility requirements of this agreement, Canadian CPAs who obtained their CPA credential by completing CPA Canada's Professional Education Program (PEP), or its equivalent in a graduate program at a post-secondary institution accredited by a Provincial CPA Body, must have passed the PEP's common final examination (CFE) and either:

1. Have been granted the right to perform audits by the designated authority in their home province or territory; or
2. Must demonstrate that they meet the current examination requirement for licensure in their home province or territory by having either:
 - i. Passed the final exam for each of the elective modules which are mandatory for CPA candidates pursuing careers in public accounting (i.e. the PEP Tax and PEP Assurance modules' exams or their equivalent in a graduate program at a post-secondary institution accredited by a Provincial CPA Body) and demonstrated depth in financial reporting and assurance on the CFE; or
 - ii. Passed the CPA Canada's Post Designation Public Accounting module examination.

3) Experience Criteria:

Under the UAA, US CPAs must have at least one year of experience verified by a licensee of a US Board. This experience includes providing a service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, and meeting requirements prescribed by Board rule and state law. This experience may be acceptable if it was gained through employment in government, industry, academia or public practice. Each individual US jurisdiction's experience requirements can be found in that jurisdiction's laws and rules, which are generally similar or identical to the experience criteria set forth in the model UAA.

Canadian CPAs must meet the UAA experience requirements. Additional specific experience requirements may be required by the State Board from which the credential is sought. Some State Boards may exercise the authority to verify such experience and will

determine how such verification will be performed, including working with NASBA's Experience Verification Service.

4) Continuing Professional Education Criteria:

Under the UAA, compliance with continuing professional education (CPE) requirements are set by the State Boards. Each individual US jurisdiction's requirements for CPE verification requirements can be found in that jurisdiction's laws and rules.

To meet the CPE criteria of the eligibility requirements of this agreement, Canadian CPAs must be in compliance with the CPE requirements of their Provincial/Territorial CPA Body.

Exclusions:

Canadian CPAs who obtained their Canadian credential by qualifying under a reciprocal agreement that CPA Canada, or one of the three Canadian legacy bodies, may have with another professional accountancy organization are not eligible under this agreement. This includes all mutual recognition agreements, reciprocal membership agreements, and other similar agreements which CPA Canada, or one of the three Canadian legacy bodies, may have, at any time, had.

Appendix 1A – Part 2

Eligibility Requirements for Holders of a Mexican CPC Credential

A holder of a Mexican Contador Público Certificado (CPC) credential may be eligible to obtain the US CPA credential via this agreement if s/he is a CPC in good standing in accordance with IMCP regulations and meets the additional criteria set out in each of the following sections and applicable state law.

1) Education Criteria:

The Uniform Accountancy Act (UAA) requires at least 150 semester hours of college or university education, including a baccalaureate or higher degree conferred by a college or university deemed acceptable by the State Board. US jurisdictions' legal requirements are identical or similar to the education criteria set forth in this model law. Additionally, many US jurisdictions' laws and US Board rules mandate the completion of specific coursework and the satisfaction of additional education criteria for licensure. Each individual US jurisdiction's education requirements can be found in that jurisdiction's laws and rules.

To meet the education criteria of the eligibility requirements of this agreement, Mexican CPCs must:

1. Hold at least a baccalaureate or higher degree; and
2. Hold a public accounting license (Cédula Profesional) issued by the Dirección General de Profesiones / Secretaría de Educación Pública.

2) Examination Criteria:

Under the UAA and under all US jurisdictions' laws and rules, passage of the Uniform CPA Examination is a necessary prerequisite for licensure as a US CPA. Each individual US jurisdiction's examination requirements can be found in that jurisdiction's laws and rules.

To meet the examination criteria of the eligibility requirements of this agreement, Mexican CPCs must have passed the Examen Uniforme de Certificación de la Contaduría Pública (EUC).

Mexican CPCs who qualified prior to the introduction of the EUC are grandfathered in by this agreement as having met the examination criteria.

3) Experience Criteria:

Under the UAA, US CPAs must have at least one year of experience verified by a licensee of a US Board. This experience includes providing a service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, and meeting requirements prescribed by Board rule and state law. This experience may be acceptable if it was gained through employment in government, industry, academia or public practice. Each individual US jurisdiction's experience requirements can be found in that jurisdiction's laws and rules, which are generally similar or identical to the experience criteria set forth in the model UAA.

Mexican CPCs must meet the UAA experience requirements. Additional specific experience requirements may be required by the State Board from which the credential is sought. Some State Boards may exercise the authority to verify such experience and will determine how

such verification will be performed, including working with NASBA's Experience Verification Service.

4) Continuing Professional Education Criteria:

Under the UAA, compliance with continuing professional education (CPE) requirements are set by the State Boards. Each individual US jurisdiction's requirements for CPE verification requirements can be found in that jurisdiction's laws and rules.

To meet the CPE criteria of the eligibility requirements of this agreement, Mexican CPCs must be in compliance with the CPE requirements of the IMCP.

Exclusions:

Mexican CPCs who obtained their Mexican credential by qualifying under a reciprocal agreement that the IMCP may have with another professional accountancy organization are not eligible under this agreement. This includes all mutual recognition agreements, reciprocal membership agreements, and other similar agreements which the IMCP may have, at any time, had.

Appendix 1B – Part 1

Eligibility Requirements for Holders of a US CPA Credential

A holder of a US CPA credential may be eligible to obtain the Mexican Contador Publico Certificado (CPC) credential via this agreement if s/he is in good standing with a State Board and meets the additional criteria set out in each of the following sections.

1) Education Criteria:

To obtain the Mexican CPC credential, an individual must have a university degree as a Contador Publico or its equivalent and the corresponding Cedula Profesional (professional license) issued by the Secretaria de Educacion Publica / Direccion General de Profesiones.

To meet the education criteria of the eligibility requirements of this agreement, US CPAs must have the equivalent of at least 150 semester hours of college or university education, including a baccalaureate or higher degree conferred by a college or university acceptable to a State Board.

US CPAs who qualified prior to the introduction of the 150 semester hour requirement are grandfathered in by this agreement as having met the 150 semester hour requirement.

2) Examination Criteria:

To obtain the Mexican CPC credential, a Contador Publico must pass the IMCP's Examen Uniforme de Certificación de la Contaduria Publica (EUC).

To meet the examination criteria of the eligibility requirements of this agreement, US CPAs must have passed the Uniform CPA Examination.

3) Experience Criteria:

To obtain the Mexican CPC credential, a Contador Publico must obtain three years of professional experience in public accountancy under the appropriate supervision and mentorship of a CPC in good standing with the IMCP. Two of the three years must be obtained after the Contador Publico graduated university and was conferred a degree as a "Contador Publico".

To meet the experience criteria of the eligibility requirements of this agreement, US CPAs must have three years' of relevant practical experience. Applicants for membership with two years' relevant post qualification experience are considered to have met the three-year experience requirement.

US CPAs seeking eligibility for licensure as a public accountant in Mexico must also meet any additional requirements as outlined in Appendix 3B of this agreement.

4) Continuing Professional Education Criteria:

To comply with the IMCP's annual CPE requirement, a CPC must obtain 65 points of professional activities as listed in the Norma de Desarrollo Profesional Continuo (NDPC) issued by the IMCP. The 65 points must be provided by entities recognized by the IMCP and its affiliates and must be verifiable.

To meet the CPE criteria of the eligibility requirements of this agreement, US CPAs must be in compliance with the CPE requirements of her/his State Board.

Exclusions:

US CPAs who obtained their CPA credential by qualifying under a reciprocal agreement that the US IQAB may have with another professional accountancy organization are not eligible under this agreement. This includes all mutual recognition agreements, reciprocal membership agreements, and other similar agreements which the US IQAB may have, at any time, had.

Appendix 1B – Part 2

Eligibility requirements for Members of CPA Canada

A holder of a Canadian CPA credential may be eligible to obtain the Mexican CPC credential via this agreement if s/he is a member in good standing of CPA Canada and the holder's Provincial/Territorial CPA Body, and meets the additional criteria set out in each of the following sections.

1) Education Criteria:

To obtain the Mexican CPC credential, an individual must have a university degree as a Contador Publico or its equivalent and the corresponding Cedula Profesional (professional license) issued by the Secretaria de Educacion Publica / Direccion General de Profesiones.

Legacy Credential Holders:

The Canadian CPA Profession was established through the unification of the Chartered Accountants (CA), the Certified Management Accountants (CMA) and the Certified General Accountants (CGA) in Canada. These three organizations respectively issued the legacy CA, CMA and CGA credentials.

To meet the education criteria of the eligibility requirements of this agreement, Canadian CPAs who obtained their CPA credential by virtue of their having earned one of the three legacy credentials must:

1. Hold at least a baccalaureate or higher degree; and
2. Have completed the relevant legacy institute's educational program; and
3. Either have been granted the right to perform audits by the designated authority in their home province or territory or must demonstrate that they have met the educational requirement for this right in their home province or territory through their legacy education program or by having successfully completed CPA Canada's Post Designation Public Accounting module.

Post-Unification CPA Credential Holders:

To meet the education criteria of the eligibility requirements of this agreement, Canadian CPAs who obtained their CPA credential by completing CPA Canada's Professional Education Program (PEP) or a graduate program at a post-secondary institution accredited by a Provincial CPA Body must:

1. Hold at least a baccalaureate or higher degree; and
2. Either have been granted the right to perform audits by the designated authority in their home province or territory or must demonstrate that they meet the current educational requirement for this right in their home province or territory by having successfully completed either:
 - i. Both of the elective modules which are mandatory for CPA candidates pursuing careers in public accounting (i.e. the PEP Tax and PEP Assurance modules or their equivalent in a graduate program at a post-secondary institution accredited by a Provincial CPA Body); or
 - ii. CPA Canada's Post Designation Public Accounting module.

2) Examination Criteria:

To obtain the Mexican CPC credential, a Contador Publico must pass the IMCP's Examen Uniforme de Certificación de la Contaduria Publica (EUC).

Legacy Credential Holders:

To meet the examination criteria of the eligibility requirements of this agreement, Canadian CPAs who obtained their CPA credential by virtue of being a legacy credential holder must have passed the full capstone final examination for their legacy credential.

In addition, legacy CAs, CGAs, and CMAs must either have been granted the right to perform audits by the designated authority in their home province or territory or must demonstrate that they have met the examination requirement for this right in their home province or territory by having successfully passed the licensing examination of their legacy body or by having successfully passed CPA Canada's Post Designation Public Accounting examination.

Post-Unification CPA Credential Holders:

To meet the examination criteria of the eligibility requirements of this agreement, Canadian CPAs who obtained their CPA credential by completing CPA Canada's Professional Education Program (PEP), or its equivalent in a graduate program at a post-secondary institution accredited by a Provincial CPA Body, must have passed the PEP's common final examination (CFE) and either:

1. Have been granted the right to perform audits by the designated authority in their home province or territory or must demonstrate that they meet the current examination requirement for this right in their home province or territory by having either:
 - i. Passed the final exam for each of the elective modules which are mandatory for CPA candidates pursuing careers in public accounting (i.e. the PEP Tax and PEP Assurance modules' exams or their equivalent in a graduate program at a post-secondary institution accredited by a Provincial CPA Body) and demonstrated depth in financial reporting and assurance on the CFE; or
 - ii. Passed the CPA Canada's Post Designation Public Accounting module examination).

3) Experience Criteria:

To obtain the Mexican CPC credential, a Contador Publico must obtain three years of professional experience in public accountancy under the appropriate supervision and mentorship of a CPC in good standing with the IMCP. Two of the three years must be obtained after the Contador Publico graduated university and was conferred a degree as a "Contador Publico".

To meet the experience criteria of the eligibility requirements of this agreement, Canadian CPAs must have three years of relevant practical experience. The IMCP may exercise its authority to verify such experience. Those Canadian CPAs who are currently licensed to perform audits in Canada will be considered to have met the experience requirement for the Mexican CPC and would not require verification.

4) Continuing Professional Education Criteria:

To comply with the IMCP's annual CPE requirement, a CPC must obtain 65 points of professional activities as listed in the Norma de Desarrollo Profesional Continuo (NDPC) issued by the IMCP. The 65 points must be provided by entities recognized by the IMCP and its affiliates and must be verifiable.

To meet the CPE criteria of the eligibility requirements of this agreement, Canadian CPAs must be in compliance with the CPE requirements of her/his Provincial CPA Body.

Exclusions:

Canadian CPAs who obtained their Canadian credential by qualifying under a reciprocal agreement that CPA Canada, or one of the three Canadian legacy bodies, may have with another professional accountancy organization are not eligible under this agreement. This includes all mutual recognition agreements, reciprocal membership agreements, and other similar agreements which CPA Canada, or one of the three Canadian legacy bodies, may have, at any time, had.

Appendix 1C – Part 1

Eligibility Requirements for Holders of a US CPA Credential

A holder of a US CPA credential will be eligible to obtain the Canadian CPA credential via this agreement if s/he is a licensee in good standing of a State Board which has requirements substantially equivalent to those in Section 23 of the Uniform Accountancy Act, and meets the additional criteria set out in each of the following sections:

1) Education Criteria:

The Canadian CPA Profession requires all candidates to have the equivalent of at least 120 semester hours of post-secondary education, including a baccalaureate or higher degree conferred by a post-secondary institution accredited by a CPA Provincial Body. In addition, the total educational program must include coverage of CPA Canada's specified competencies as described in the CPA Canada Competency Map in financial accounting, assurance, management accounting, strategy and governance, finance and taxation; and to have completed the Canadian CPA prescribed education program either by completing CPA Canada's Professional Education Program (PEP) or a graduate program at a post-secondary institution accredited by the Profession as meeting the education requirements of the Canadian CPA Profession.

To meet the education criteria of the eligibility requirements of this agreement, US CPAs must have the equivalent of at least 150 semester hours of college or university education, including a baccalaureate or higher degree conferred by a college or university acceptable to a State Board.

US CPAs who qualified prior to the introduction of the 150 semester hour requirement are grandfathered in by this agreement as having met the 150 semester hour requirement.

2) Examination Criteria:

The Canadian CPA Profession requires all candidates to have passed the profession's Common Final Examination (CFE).

To meet the examination criteria of the eligibility requirements of this agreement, US CPAs must have passed the Uniform CPA Examination.

3) Experience Criteria:

The Canadian CPA Profession requires all candidates to complete a qualifying practical experience requirement. Qualifying practical experience is defined in terms of duration and technical and enabling competency development to required levels of proficiency. The minimum term of practical experience is 30 months (24 months in Quebec). All qualifying experience must be gained under appropriate supervision and mentorship.

To meet the experience criteria of the eligibility requirements of this agreement, US CPAs must have 30 months of relevant practical experience. Applicants for membership with two years' relevant post qualification experience are considered to have met the 30-month experience requirement.

US CPAs seeking eligibility for licensure as a public accountant in Canada must also meet any additional requirements of the applicable CPA Provincial Body as outlined in Appendix 3 of this agreement.

4) Continuing Professional Education Criteria:

The minimum Canadian CPA requirement for continuing professional development that a Member must complete is:

- 20 hours annually; and
 - 120 hours in every three-year period.
 - If the Member is licensed to practice public accounting the mandatory continuing professional development must be completed in activities directly related to the competencies needed to provide public accounting services.
- At least fifty percent of the minimum annual and triennial hours must be verifiable.

To meet the CPE criteria of the eligibility requirements of this agreement, US CPAs must be in compliance with the CPE requirements of her/his State Board.

Exclusions:

US CPAs who obtained their US CPA credential by qualifying under a reciprocal agreement which NASBA and the AICPA may have with another professional accountancy organization are not eligible under this agreement. This includes all mutual recognition agreements, reciprocal membership agreements, and other similar agreements which NASBA/AICPA may have, at any time, had.

Additional Requirements for US CPAs Who Are or Have Been Canadian Residents:

Applicants who wrote one (1) or more part(s) of the US Uniform CPA Examination while:

- a) A resident of Canada; or
- b) After they became a resident of Canada; or
- c) After they returned as a resident to Canada

Must, in addition to the above requirements, have obtained either:

1. A university degree from a degree-granting institution of higher education in the United States of America as a result of having attended the institution in person for classroom instruction on a full-time basis; or
2. At least one (1) year of full-time practical experience in accounting in the USA.

Appendix 1C – Part 2

Eligibility Requirements for Holders of a Mexican CPC Credential

A holder of a Mexican Contador Público Certificado (CPC) credential may be eligible to obtain the Canadian CPA credential via this agreement if s/he is a CPC in good standing in accordance with IMCP regulations and meets the additional criteria set out in each of the following sections.

1) Education Criteria:

The Canadian CPA Profession requires all candidates to have the equivalent of at least 120 semester hours of post-secondary education, including a baccalaureate or higher degree conferred by a post-secondary institution accredited by a CPA Provincial Body. In addition, the total educational program must include coverage of CPA Canada's specified competencies as described in the CPA Canada Competency Map in financial accounting, assurance, management accounting, strategy and governance, finance and taxation; and to have completed the Canadian CPA prescribed education program either by completing CPA Canada's Professional Education Program (PEP) or a graduate program at a post-secondary institution accredited by the Profession as meeting the education requirements of the Canadian CPA Profession.

To meet the education criteria of the eligibility requirements of this agreement, Mexican CPCs must:

1. Hold at least a baccalaureate or higher degree; and
2. Hold a public accounting license (Cédula Profesional) issued by the Dirección General de Profesiones / Secretaría de Educación Pública.

2) Examination Criteria:

The Canadian CPA Profession requires all candidates to have passed the profession's Common Final Examination (CFE).

To meet the examination criteria of the eligibility requirements of this agreement Mexican CPCs must have passed the Examen Uniforme de Certificación de la Contaduría Pública (EUC).

Mexican CPCs who qualified prior to the introduction of the EUC are grandfathered in by this agreement as having met the examination criteria.

3) Experience Criteria:

The Canadian CPA Profession requires all candidates to complete a qualifying practical experience requirement. Qualifying practical experience is defined in terms of duration and technical and enabling competency development to required levels of proficiency. The minimum term of practical experience is 30 months (24 months in Quebec). All qualifying experience must be gained under appropriate supervision and mentorship.

To meet the experience criteria of the eligibility requirements of this agreement, Mexican CPCs must have 30 months of relevant practical experience and be licensed by the Mexican Dirección General de Profesiones. Mexican CPCs seeking eligibility for licensure as a public accountant in Canada must also meet any additional requirements of the applicable CPA Provincial Body.

4) Continuing Professional Education Criteria:

The minimum Canadian CPA requirement for continuing professional development that a Member must complete is:

- 20 hours annually; and
- 120 hours in every three-year period.
- If the Member is licensed to practice public accounting the mandatory continuing professional development must be completed in activities directly related to the competencies needed to provide public accounting services.

At least fifty percent of the minimum annual and triennial hours must be verifiable.

To meet the CPE criteria of the eligibility requirements of this agreement, Mexican CPCs must be in compliance with the CPE requirements of the Instituto Mexicano de Contadores Publicos.

Exclusions:

Mexican CPCs who obtained their CPC credential by qualifying under a reciprocal agreement which the Instituto Mexicano de Contadores Publicos may have with another professional accountancy organization are not eligible under this agreement. This includes all mutual recognition agreements, reciprocal membership agreements, and other similar agreements which the Mexican government may have, at any time, had.

Additional Requirements for Mexican CPCs Who Are or Have Been Canadian

Residents:

Applicants who wrote the IMCP's Examen Uniforme de Certificacion de la Contaduria Publica while:

- a) A resident of Canada; or
- b) After they became a resident of Canada; or
- c) After they returned as a resident to Canada

Must, in addition to the above requirements, have obtained either:

1. A university degree from a degree-granting institution of higher education in Mexico as a result of having attended the institution in person for classroom instruction on a full-time basis; or
2. At least one (1) year of full-time practical experience in accounting in Mexico.

Appendix 2A

Abbreviated Pathway to the US CPA Credential for Eligible Holders of a Mexican CPC or Canadian CPA Credential

The abbreviated pathway to the US CPA credential for eligible holders of a Mexican CPC or Canadian CPA credential is essentially the same. Therefore, when reading Appendix 2A, “Eligible Holder” should be understood as either a Mexican CPC or Canadian CPA credential holder who has met the relevant criteria set out in Appendix 1A. In this appendix, “Home Institute” should be understood as either the Instituto Mexicano de Contadores Públicos, A.C. (IMCP) or CPA Canada and the relevant Provincial/Territorial CPA Body.

To obtain the US CPA credential, an Eligible Holder must:

1. Pass the International Qualification Examination (IQEX); and
2. Upon successfully passing the IQEX, apply to a State Board.

To sit for the IQEX, an Eligible Holder must take the following steps (please note that the following list is not intended to be a comprehensive list):

1. Create an online user account⁴ with NASBA.
2. Complete an application form⁵.
3. Obtain a letter of good standing⁶ from the Eligible Holder’s Home Institute. This letter will confirm that the Eligible Holder has met the eligibility requirements set out in Appendix 1A and must be sent directly to NASBA by the Home Institute.
4. Pay the requisite fees⁷.

The process for applying to a State Board differs depending upon the US jurisdiction to which an Eligible Holder applies. However, in general, an Eligible Holder must take the following steps (please note that the following list is not intended to be a comprehensive list, and licensure is fully at the discretion and direction of the State Boards):

1. Select a State Board⁸ and complete the State Board’s application.
2. Request NASBA to report her/his IQEX score to the State Board.
3. Satisfy the State Board’s requirements which may include:
 - a) Specific educational course work.
 - b) Passing an ethics exam and/or CPE course.
 - c) Providing evidence of the Eligible Holder’s good character and/or reconfirmation of some of the eligibility requirements set out in Appendix 1A.

⁴ Registering for a user account will allow an Eligible Holder to apply for the examination, maintain her/his current information, view her/his scores, check her/his application status and reprint her/his Notice to Schedule. Detailed information may be found at www.nasba.org.

⁵ The application form will require information which will allow NASBA to verify that the applicant has met all of the required eligibility requirements set out in Appendix 1A and information required to schedule the applicant’s IQEX. Detailed information may be found within the IQEX Candidate Bulletin at www.nasba.org.

⁶ A template letter of good standing with completion instructions and a form which Eligible Holders may send to their Home Institute to request its completion may be found at www.nasba.org.

⁷ Fees charged for applying for the IQEX are changed periodically. A current list of fees, may be found at www.nasba.org.

⁸ While the AICPA and NASBA’s Boards have approved this agreement, it is up to each State Board to decide if it will adopt it. A current list of State Boards which will accept applications from Canadian CPAs and / or Mexican CPCs may be found within the IQEX Candidate Bulletin at www.nasba.org.

- d) Providing evidence that the Eligible Holder is in compliance with the State Board CPE requirements.
- e) Paying the State Board's fees.

Appendix 2B

Abbreviated Pathway to the Mexican CPC Credential for Eligible Holders of a US CPA or Canadian CPA Credential

The abbreviated pathway to the Mexican CPC credential for eligible holders of a US CPA or Canadian CPA credential is essentially the same. Therefore, when reading Appendix 2B, “Eligible Holder” should be understood as either a US CPA or Canadian CPA credential holder who has met the relevant criteria set out in Appendix 1B. In this appendix, “Home Institute” should be understood as either a State Board or CPA Canada and the relevant Provincial/Territorial CPA Body.

To obtain the Mexican CPC credential, an Eligible Holder must:

1. Pass the Examen de Extranjería examination (MEXQUEX); and
2. Meet the relevant practical experience requirement outlined in Appendix 1B.

To sit for the MEXQUEX, an Eligible Holder must take the following steps (please note that the following list is not intended to be a comprehensive list):

1. Complete the MEXQUEX application form⁹.
2. Provide a photocopy of their US or Canadian passport.
3. Obtain a letter of good standing from the Eligible Holder’s Home Institute or State Board.
4. Provide a photocopy of their public accounting license from a state, province or territory of either the US or Canada or provide confirmation of their eligibility in the letter of good standing.
5. Pay the requisite fees¹⁰.

⁹ The application form will require information which will allow the IMCP to verify that the applicant has met all of the required eligibility requirements set out in Appendix 1B. The application form may be found on the IMCP’s website at <http://imcp.org.mx/certificacion/examen-de-extranjeria>.

¹⁰ Fees charged for applying for the MEXQUEX are changed periodically.

Appendix 2C

Abbreviated Pathway to the Canadian CPA Credential for Eligible Holders of a US CPA or a Mexican CPC Credential

The abbreviated pathway to the Canadian CPA credential for eligible holders of a Mexican CPC or US CPA credential is essentially the same. Therefore, when reading Appendix 2C, “Eligible Holder” should be understood as either a Mexican CPC or US CPA credential holder who has met the relevant criteria set out in Appendix 1C. In this appendix, “Home Institute” should be understood as either a State Board or the Instituto Mexicano de Contadores Públicos, A.C. (IMCP).

To obtain the Canadian CPA credential, an Eligible Holder must:

Register with the appropriate CPA Provincial/Territorial Body (Listing of all CPA Provincial/Territorial Bodies can be found at <https://www.cpacanada.ca>) by:

1. Completing an International Candidate Application Form and sending it to the CPA Provincial/Territorial Body to which the Eligible Holder intends to apply.
2. Completing either a:
 - a) Certification by a US State Board of Accountancy Form (for US CPAs); or
 - b) Certification of Membership in an Accounting Body Outside Canada Form (for CPCs); or
 - c) Providing a letter of good standing with the required information.
3. An applicant is required to provide confirmation that the applicant is a US CPA or CPC in good standing with their Home Institute as appropriate. Such confirmation must be provided by the Home Institute directly to the CPA Provincial/Territorial Body.
4. Providing proof of legal name as evidenced by acceptable government-issued documentation.
5. Providing a detailed chronological résumé listing all relevant work experience;
6. Completing a Practical Experience Certificate for Internationally Trained Candidates for all relevant accounting experience to demonstrate that the Canadian CPA experience requirements have been met. This requirement will be waived for all applicants with 2 years relevant post qualification work experience as evidenced by the detailed chronological résumé required in 5.
7. Paying the appropriate fee as determined by the applicable CPA Provincial/Territorial Body.
8. Any additional requirements as prescribed by the applicable CPA Provincial/Territorial Body.

Maintenance of Membership

In order to maintain membership with the applicable CPA Provincial/Territorial Body, the individual will be required to successfully complete the CPA Reciprocity Professional Development Course (CPAPD) by the second anniversary of the date of admission to membership. This course consists of approximately 20 hours of online study in Canadian tax, law and ethics in a modular form.

However, if applicants opt to write and pass the CPA Reciprocity Exam within two years of having obtained membership in a CPA Provincial/Territorial Body they will not be required to complete the CPAPD.

Members must sustain professional competence by keeping informed of, and complying with, developments in professional standards in all functions in which the member provides professional services or is relied upon because of the member's calling. Members are also required to meet the general CPD requirements of their CPA Provincial/Territorial Body.

Appendix 3A

Process to Obtain Licensure in the US for Eligible Holders of a Mexican CPC or Canadian CPA Credential

In the United States, the US CPA credential is a license to practice public accounting, issued by a US state or federal territory, valid for use in such jurisdiction.

Upon completing the Abbreviated Pathway and successfully applying to a State Board (as set out in Appendix 2A), the Eligible Holder of the Mexican CPC or Canadian CPA credential may receive a US CPA license.

Once licensed, CPA licensees are under the auspices of, and subject to, Federal laws and regulations, state laws, regulations, and policies. Maintenance of the license requires meeting periodic renewal requirements, including timely completion of renewal forms, continuing professional education and payment of fees. In some instance, obtainment of a firm license, in addition to an individual license, will be necessary to legally provide certain restricted services in US jurisdictions.

Appendix 3B

Process to Obtain Licensure in Mexico for Eligible Holders of a US CPA or Canadian CPA Credential

In Mexico, the right to use the CPC Credential is granted by the IMCP. The Cédula Profesional, license to practice public accounting, is issued by the Dirección General de Profesiones / Secretaría de Educación Pública.

Upon completing the Abbreviated Pathway as set out in Appendix 2B, the Eligible Holder of the US CPA or Canadian CPA credential may receive a Cédula Profesional.

To apply for Cédula Profesional, an Eligible Holder must take the following steps (please note that the following list is not intended to be a comprehensive list):

1. Complete an application form.
2. Provide government issued identification.
3. Provide documentation from the IMCP to evidence that the Eligible Holder has been awarded the CPC credential.
4. Pay the requisite fees.

Because applying for a public accounting license requires dealing with government bodies, the COMPIC/IMCP will assist the Eligible Holder to obtain a Cédula Profesional from the Dirección General de Profesiones / Secretaría de Educación.

Once licensed, CPC licensees are subject to the IMCP's rules to renew the licenses by meeting certain requirements, including completion of renewal forms, continuing professional development and payment of fees.

Appendix 3C

Process to Obtain Licensure in Canada for Eligible Holders of a US CPA or Mexican CPC Credential

In Canada, both the right to use the CPA Credential and the right to be registered or the right to audit and to other services or licensure are granted by the CPA Provincial/Territorial Bodies.

Upon completing the Abbreviated Pathway as set out in Appendix 2C, the Eligible Holder of the US CPA or Mexican CPC credential may receive a license to practice public accounting in Canada if that holder meets the following criteria:

1. Meets any additional Canadian experience requirements for public accounting which may include at least 1,250 chargeable hours in assurance, of which a minimum of 625 hours must be obtained in the audit of historical financial information.
 - a) Appropriate audit experience obtained in the USA or Mexico may count towards meeting the above 1,250 / 625 chargeable hours' requirement.
 - b) Appropriate audit experience must be within 5 years of application to a CPA Provincial/Territorial Body
2. Meets any additional experience requirements for public accounting specific to the provincial jurisdiction in which the applicant seeks the right to audit and to other services requiring provincial registration or licensure. While the CPA profession strives for national consistency, provincial regulations and bylaws take precedence over national practical experience requirements. Some provincial jurisdictions are legislatively required to register professional accounting firms (not individuals) to practice public accounting. In such jurisdictions, applicants would be required to meet the jurisdiction's practice requirements in order to provide these services on behalf of the professional accounting firm. Applicants should refer to provincial regulations and bylaws for the specific requirements in each jurisdiction.
3. Completion of the CPA Reciprocity Exam.
 - a) If applicants opt to write and pass the CPA Reciprocity Exam within two years of having obtained membership in a CPA Provincial/Territorial Body they will not be required to also complete the CPAPD (see Appendix 2C).