

Rule 15 SAFE HARBOR LANGUAGE

15.1 NON-LICENSEES – ISSUANCE OF COMPILATION REPORTS

A.C.A. § 17-12-107(b) provides that non-licensees are not prohibited from issuing any compilation report prescribed by the Statements on Standards for Accounting and Review Services (SSARS) on any services to which those standards apply, indicating that the services were performed in accordance with standards established by the AICPA, provided that the report discloses that the person does not hold a license.

15.2 NON-LICENSEES DISCLAIMER LANGUAGE - COMPILATIONS

Non-licensees must use the following disclaimer language in reports issued in connection with compiled financial statements to not be in violation of the Act:

I (we) have prepared the accompanying (financial statements) of (name of entity) as of (time period) for the (period) then ended. This presentation is limited to preparing in the form of financial statements information that is the representation of management (owners).

I (we) have not audited or reviewed the accompanying financial statements and accordingly do not express an opinion or any other form of assurance on them.

I (we) am (are) not licensed by the Arkansas State Board of Public Accountancy. In addition, the following language must appear on each page of the financials that contain the non-licensee's name: "*See accompanying report*".

15.3 NON-LICENSEE DISCLAIMER LANGUAGE – USE OF TITLE "AUDITOR" OR "ACCOUNTANT"

A.C.A. § 17-12-106(i) prohibits unlicensed firms or individuals from holding out to the public as an "accountant" or "auditor" by use of either or both of such words on any sign, card, electronic transmission, or letterhead or in any advertisement or directory without indicating thereon or therein that the person must include the following statement within any signage, document or letterhead, advertisement, or electronic transmission:

"Not licensed by the Arkansas State Board of Public Accountancy"

This statement must not be abbreviated and must appear in legible fashion so that the public could reasonably be expected to be able to read and understand the statement.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.