

**21 NCAC 08N .0202      DECEPTIVE CONDUCT PROHIBITED**

(a) A CPA shall not engage in deceptive conduct. "Deception" means any fraud, misrepresentations, representations, or omissions that a CPA either knew or should have known to have a capacity or tendency to be misleading. Deceptive conduct shall be prohibited whether or not anyone has actually been deceived.

(b) Prohibited conduct under this Section includes deception in:

- (1) obtaining or maintaining employment;
- (2) obtaining or keeping clients;
- (3) obtaining or maintaining certification, inactive status, or exemption from peer review;
- (4) reporting CPE credits;
- (5) certifying the character or experience of exam or certificate applicants;
- (6) implying abilities not supported by education, professional attainments, or licensing recognition;
- (7) asserting that services or products sold in connection with use of the CPA title are of a particular quality or standard when they are not;
- (8) creating false or unjustified expectations of favorable results;
- (9) using or permitting another to use the CPA title in a form of business not permitted by the accountancy statutes or rules;
- (10) permitting anyone not certified in this State (including one licensed in another jurisdiction) to unlawfully use the CPA title in this State or to unlawfully operate as a CPA firm in this State; or
- (11) falsifying a review, report, or any required program or checklist of any peer review program.

*History Note:* Authority G.S. 55B-12; 57D-2-02; 93-12(3); 93-12(9);  
Eff. April 1, 1994;  
Amended Eff. January 1, 2014; January 1, 2004; April 1, 1999;  
Readopted Eff. February 1, 2016.