**Section 1430.1030 Provision of Non-Audit Services**

a) The following definitions of terminology are applicable wherever the terminology is used in this Section.

1) "Affiliate" means a business organization that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with a company.

2) "Annual Revenues" means revenues as reflected on a company's audited financial statements for the applicable fiscal year.

3) "Company" means a company, excluding a not-for-profit organization, that:

A) has its principal place of business located in the State of Illinois;

B) is not required to file periodic information, documents, and reports pursuant to the Securities Exchange Act of 1934; and

C) during its previous fiscal year, had annual revenues exceeding $50,000,000 or employed more than 500 employees in the State of Illinois.

4) "Permitted non-audit services" means non-audit services other than regulated non-audit services.

5) "Regulated non-audit services" means those non-audit services enumerated in paragraphs (1) through (9) of subsection (g) of Section 10A of the Securities Exchange Act of 1934 (15 USC 78j-1(g)(1) through (9), as amended. In the implementation of this Section and in the enforcement of 225 ILCS 450/30.4, the following will guide the Department in its determination of the scope of such non-audit services and the extent to which non-audit services constitute regulated non-audit services:

A) the qualifications set forth in Sections 2(a)(2), 201 and 202 of the Sarbanes-Oxley Act of 2002 (15 USC 7201);

B) the regulations adopted by the Federal Securities and Exchange Commission and the Public Company Accounting Oversight Board to implement paragraphs (1) through (9) of subsection (g) of Section 10A of the Securities Exchange Act of 1934, as amended, and to implement Sections 2(a), 201 and 202 of the Sarbanes-Oxley Act of 2002 (15 USC 7201); and

C) judicial and administrative interpretations of the statutes and regulations listed in subsections (a)(5)(A) and (B).

b) Any licensed public accountant, licensed certified public accountant, or public accounting firm that practices public accounting in this State and provides regulated non-audit services to a company while contemporaneously providing audit services shall:

1) present a written notice of the contemporaneous provision of audit services and regulated non-audit services to the company prior to the commencement of the contemporaneous provision of the regulated non-audit services; and

2) receive a signed acknowledgement, from the president or chief executive officer of the company to which the contemporaneous audit services and regulated non-audit services are to be provided, that the company is aware of and agrees to the contemporaneous provision of the audit services and regulated non-audit services.

c) The annual revenues and number of employees of a company's affiliates shall not be considered when determining whether Section 30.4 of the Act applies to that company. Section 30.4 of the Act shall not apply to a company that is a subsidiary of a business organization that is required to file periodic information, documents, and reports pursuant to the Securities Exchange Act of 1934.

d) An acknowledgement signed pursuant to subsection (b)(2) shall allow the licensed public accountant, licensed certified public accountant, or public accounting firm to provide any regulated non-audit services contemporaneously with audit services for a one-year period from the date of the acknowledgement. An acknowledgment that is executed prior to November 1, 2005 shall be retroactive to July 2, 2004.

e) A licensed public accountant, licensed certified public accountant, or public accounting firm may not provide regulated non-audit services to a company contemporaneously with audit services if the licensed public accountant, certified public accountant, or public accounting firm has engaged in criminal activity or willful or wanton negligence directly relating to the contemporaneous provision of auditing services and regulated non-audit services to that company.

f) If, pursuant to subsection (e), a licensed public accountant, licensed certified public accountant, or public accounting firm is prohibited from providing regulated non-audit services to a company contemporaneously with audit services, the prohibition shall apply on a prospective basis only and shall not apply to regulated non-audit services provided prior to the conduct that resulted in the prohibition.

g) Where the conduct of an individual accountant employed by a public accounting firm results in a prohibition under subsection (e), the public accounting firm is prohibited from providing regulated non-audit services to a company contemporaneously with audit services only if a firm would be liable under Illinois law for the wrongful conduct of the individual accountant.

h) No notice and acknowledgement, as provided in subsection (b), is required prior to the provision of permitted non-audit services by a licensed public accountant, licensed certified public accountant, or public accounting firm to a company.

i) A violation of this Section shall subject a licensed public accountant, licensed certified public accountant, or public accounting firm to the provisions of Section 20.01 of the Act.

j) Nothing in this Section shall be construed to authorize or permit the provision of any services by a licensed public accountant, licensed certified public accountant, or public accounting firm that would result in a lack of independence under applicable ethics standards of the accounting profession.