

Accounting Education Associates, LLC
(www.accounting-education.com)
PO Box 4192, Greensboro, NC 27404
Email Address: info@accounting-education.com
Phone: (800) CPE-Exam; Fax: (800) 645-1099

QUARTERLY CPE EXAM ON THE *Journal of Accountancy*
Second Quarter (Apr – Jun), 2024 (Course # 2402)
A Formal CPE Course using the *JoA* as Reference Material
Recommended CPE Credit: 8 Hours (Category: Interactive Self Study)
Subject division: Audit 1, IT 3, Prac. Mgt. 3, Tax 1

INSTRUCTIONS:

1. Complete but do not submit all the assignments in the **Supplementary Study Guide** with **Course objectives** available at our Web site: www.accounting-education.com
2. Answer the 50 multiple-choice questions by selecting the one **best** answer. **Blacken** the letter; do **not** circle. A score of 70 or better is required.
3. Unless prepaid, please submit a Payment Voucher with your completed Exam.
4. **Scan/email**, fax or snail mail your answer sheet to AEA for grading by deadline below.
5. For CPE credit, please be sure your name and email address are legible.
6. **For faster response, please provide your email address below.**

COURSE EVALUATION:

On a scale of A (highest) to F (lowest), please evaluate the following:

- ___ 1. The course met the objectives described in the promotional material?
- ___ 2. Any stated prerequisites were necessary or desirable?
- ___ 3. The course was timely and effective?
- ___ 4. The course met your professional education needs?
- ___ 5. The course materials were understandable and helpful?

On my honor as a CPA or CMA, I have neither given nor received assistance on this Exam.

(Signed) _____ (Dated) _____

Please print your full name: _____

Please print your email address: _____

To which state boards or agencies do you report CPE? _____

Sponsor Agreements with State Boards of Accountancy:

Illinois (#158-000242), **Pennsylvania** (#PX000005-L) and **Texas** (#000211). Most state boards do not require sponsor registration. Check with your Board.

Please leave this space blank for your Certificate of Completion.

****For CPE credit, this exam must be submitted to AEA by 12/21/2026.****

www.accounting-education.com Copyright 2024 - AEA #2402-

- 1. =a= =b= =c= =d= =e=
 - 2. =a= =b= =c= =d= =e=
 - 3. =a= =b= =c= =d= =e=
 - 4. =a= =b= =c= =d= =e=
 - 5. =a= =b= =c= =d= =e=
 - 6. =a= =b= =c= =d= =e=
 - 7. =a= =b= =c= =d= =e=
 - 8. =a= =b= =c= =d= =e=
 - 9. =a= =b= =c= =d= =e=
 - 10. =a= =b= =c= =d= =e=
 - 11. =a= =b= =c= =d= =e=
 - 12. =a= =b= =c= =d= =e=
 - 13. =a= =b= =c= =d= =e=
 - 14. =a= =b= =c= =d= =e=
 - 15. =a= =b= =c= =d= =e=
 - 16. =a= =b= =c= =d= =e=
 - 17. =a= =b= =c= =d= =e=
 - 18. =a= =b= =c= =d= =e=
 - 19. =a= =b= =c= =d= =e=
 - 20. =a= =b= =c= =d= =e=
 - 21. =a= =b= =c= =d= =e=
 - 22. =a= =b= =c= =d= =e=
 - 23. =a= =b= =c= =d= =e=
 - 24. =a= =b= =c= =d= =e=
 - 25. =a= =b= =c= =d= =e=
 - 26. =a= =b= =c= =d= =e=
 - 27. =a= =b= =c= =d= =e=
 - 28. =a= =b= =c= =d= =e=
 - 29. =a= =b= =c= =d= =e=
 - 30. =a= =b= =c= =d= =e=
 - 31. =a= =b= =c= =d= =e=
 - 32. =a= =b= =c= =d= =e=
 - 33. =a= =b= =c= =d= =e=
 - 34. =a= =b= =c= =d= =e=
 - 35. =a= =b= =c= =d= =e=
 - 36. =a= =b= =c= =d= =e=
 - 37. =a= =b= =c= =d= =e=
 - 38. =a= =b= =c= =d= =e=
 - 39. =a= =b= =c= =d= =e=
 - 40. =a= =b= =c= =d= =e=
 - 41. =a= =b= =c= =d= =e=
 - 42. =a= =b= =c= =d= =e=
 - 43. =a= =b= =c= =d= =e=
 - 44. =a= =b= =c= =d= =e=
 - 45. =a= =b= =c= =d= =e=
 - 46. =a= =b= =c= =d= =e=
 - 47. =a= =b= =c= =d= =e=
 - 48. =a= =b= =c= =d= =e=
 - 49. =a= =b= =c= =d= =e=
 - 50. =a= =b= =c= =d= =e=
- Date completed: _____

**“Of life's two certainties, there is only one for which you can receive an automatic extension.”
... Anonymous**

This is a formal Interactive self-study CPE course using the *Journal of Accountancy* as reference material designed to keep you abreast of the latest changes affecting our profession. Our course consists of a Supplementary Study Packet (available at our Web site: www.accounting-education.com) and this Final Exam; it is divided into sections, each corresponding to selected articles appearing in the JoA. This series of **quarterly** formal self-study programs can be completed in the convenience of your home or office. New courses normally appear on our Web site around the beginning of each quarter.

LEARNING OBJECTIVES:

The specific learning objectives are stated in the individual sections of the **Supplementary Study Guide** associated with this Quarterly CPE Exam available at www.accounting-education.com

PREREQUISITES: None.

LEVEL: Basic.

COURSE NUMBER: The course number we assign to each quarterly CPE Exam is derived from the Year and Quarter, YYQQ.

COURSE SPONSOR:

Accounting Education Associates (“AEA”) has offered **Quarterly CPE Exams** on the *Journal of Accountancy* every quarter since 1982. Courses were prepared by either: **James H. Ogburn, MBA, CPA (retired)**, founder of AEA. Jim's experience includes public accounting, finance and 18 years as Director of Graduate Programs in Accounting and Business at the University of North Carolina at Greensboro and 36 years developing AEA courses.

Keith A. Pearson, CPA. Keith's experience includes “Big 4” public accounting, industry as a CFO and controller and managing a CPA firm serving closely-held businesses and individuals.

AEA is not affiliated with the AICPA which holds the copyright to the *Journal of Accountancy*.

Scan/Email, fax or mail your answer sheets to us:

Email: info@accounting-education.com

Telephone: 1-800-CPE-EXAM (1-800-273-3926)

Fax: 1-800-645-1099

Mail: PO Box 4192
Greensboro, NC 27404

IMPORTANT !!! - To receive credit, each exam MUST BE SUBMITTED on or before the expiration date noted at the bottom of the exam.

RECOMMENDED CPE CREDIT:

We recommend CPE credit of ten (8) hours in based on a 50-minute hour for Interactive Self-Study CPE courses. The estimated completion time of 8 hours is based on pilot tests of our Study Packet, reference material readings and final exam and are likely to vary from quarter to quarter. A few state boards still use the old standard of awarding CPE credit of only 50% of the estimated completion time. **For further guidance, please check with your own state board or agency.**

SUBJECT DIVISIONS OF CPE CREDIT:

The recommended subject division is shown on the Final Exam answer sheet, applies to this quarter only and is likely to vary from quarter to quarter.

PROGRAM SPONSOR AGREEMENTS:

AEA has sponsor agreements with the following state boards: **Illinois** (#158-000242), **Pennsylvania** (#PX000005-L) and **Texas** (#000211). Most state boards do not require sponsor registration. **Check with your Board. AEA's courses are accepted by many but not all state boards of accountancy. We do not have a sponsor agreement with the CFP Board, the IRS, NASBA or QAS.**

PRICES:

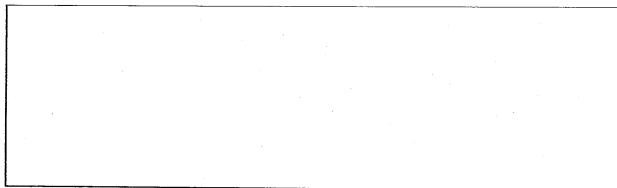
The price of a **Quarterly CPE Exam** is \$49, with lower prices when an order involves four or more courses:

Price per course for orders of 1 to 3 courses:	\$49
Price per course for orders of 4 to 7 courses:	\$46
Price per course for orders of 8 to 23 courses:	\$43
Price per course for orders of 24 or more:	\$40

TWO PAYMENT OPTIONS:

Credit card: Click the secure PayPal link on our Web site and at the “PayPal Guest Checkout” option, enter your credit card information. Please do not send us credit credit information as AEA no longer accepts or processes credit cards.

Check: Mail a check to the PO box indicated to the left. Exams will be graded when received regardless of payment method.



Payment Voucher: Please complete and submit this form with your downloaded Exam(s).

Accounting Education Associates, LLC
PO Box 4192
Greensboro, NC 27404
www.accounting-education.com
Phone: (800) 273-3926 (CPE-Exam)
Fax: (800) 645-1099

Email: info@accounting-education.com
(For emailing scanned order form or answer sheets)

Name _____
Firm (If part of address) _____
Address _____
City/State/Zip _____
Phone _____
E-mail _____
To which state board(s) do you report CPE? _____
Source of referral if applicable: _____

I am submitting _____ completed Exam(s) on the *JofA* that I've downloaded from www.accounting-education.com

Quantity	Year
_____	First Quarter (January - March), 20____
_____	Second Quarter (April - June), 20____
_____	Third Quarter (July - September), 20____
_____	Fourth Quarter (October - December), 20____

_____	First Quarter (January - March), 20____
_____	Second Quarter (April - June), 20____
_____	Third Quarter (July - September), 20____
_____	Fourth Quarter (October - December), 20____

_____ Total Quantity times Unit price of \$ _____ = \$ _____ Total charge

Unit price depends on total number of Exams:

1 - 3 Exams: \$49	8 - 23 Exams: \$43
4 - 7 Exams: \$46	24 and over: \$40

Payment options:

_____ **By check that I'm mailing today.**
(Take a dollar off each exam you pay by check.)

_____ **By using the secure PayPal link on our Web site to pay with favorite credit card (Visa, MasterCard, Amex or Discover)**

PLEASE DO NOT SEND CREDIT CARD# TO AEA.

Optional: Please estimate your course completion time. _____

Thank you for your business and referrals.

The learning objectives of this course are in the Study Guide at www.accounting-education.com

Sections I-III and exam questions 1-20 Relate to the Journal of Accountancy – April, 2024

Section I. Help Reduce Risk with Formal Client Onboarding (page 4)

1. “Onboarding is the focused and intentional _____.”
 - a. Orientation of new employees to the firm.
 - b. Evaluation of firms for potential merger.
 - c. Evaluation of current clients for potential elimination.
 - d. Integration of a new client into the firm.
 - e. Integration of AI software to allow greater audit efficiency.

2. Certain items the author believes should be discussed during client onboarding include:
 - a. Client responsibilities and communication protocols.
 - b. Engagement letter terms.
 - c. Satisfaction with the predecessor firm’s performance.
 - d. a, b and c.
 - e. a and b only.

3. To help avoid misunderstandings, the author stresses the importance of:
 - a. Clearly addressing scope of services, both included and excluded.
 - b. Billing a flat fee for the engagement rather than hourly billing.
 - c. Assigning the more experienced staff to the initial engagement to assure a smooth transition.
 - d. a, b and c.
 - e. a and b only.

4. According to the authors, miscommunications occur when:
 - a. Accurate information is not timely delivered to the necessary party.
 - b. Communications are written.
 - c. When information provided is not timely acted upon.
 - d. a, and c.
 - e. a, b and c.

5. Examples of a client misrepresentation include:
 - a. The new client claims they did not owe income taxes for the previous year, when in fact they earned income but failed to file a tax return.
 - b. The client agreed to deliver tax documents by February 28 but forgot.
 - c. The client paid the bill later than the due date.
 - d. a, b and c.
 - e. a and c only.

Section II. GenAI for Accountants: 10 Prompt-Writing Tips (Page 8)

6. The effectiveness of Generative AI depends upon the “prompt” which is:
 - a. The set of instructions the GenAI program will give the user to begin the process .
 - b. A warning the GenAI uses to alert the user of faulty input.
 - c. The set of instructions the user gives to the GenAI software.
 - d. A notification given by the GenAI software to suggest alternative phrasing of instructions.
 - e. A notification given by the GenAI software to the user after a long delay to determine whether to user is finished or intends to continue.

7. GPT, the large language model that powers ChatGPT, stands for:
 - a. Generative power transformer.
 - b. Generative processing technology.
 - c. Generative pre-trained technology.
 - d. General pre-trained transformer.
 - e. Generative pre-trained transformer.

8. Writing a great prompt requires:
 - a. User clarity and specificity.
 - b. Imagination and experimentation.
 - c. Programming skills and understanding of neural networks.
 - d. a and b.
 - e. a, b and c.

9. GenAI tools can achieve better results if the user:
 - a. Directs which databases to search.
 - b. Gives longer, well-structured prompts.
 - c. Asks general questions to reduce search limitations.
 - d. Limits prompts to a single question.
 - e. All of the above.

10. The author recommends prompt that gives GenAI contextual information concerning the user’s larger objective and the role of the GenAI and provides examples, including:
 - a. “I am, you are, I need.”
 - b. “Task, search, report.”
 - c. “Role-task-format.”
 - d. a, b and c.
 - e. a and c only.

11. GenAI tools can help write prompts for themselves This is known as:
 - a. Self-prompting.
 - b. Auto-prompting.
 - c. Meta-prompting.
 - d. Mega-prompting.
 - e. Multi-prompting.

12. The author states GenAI can produce false facts. To reduce the risk of that, the user should:
 - a. Ask GenAI tools to provide sources and explain its chain of thinking.
 - b. Enter the same prompts to verify results.
 - c. Sample some of the facts to independently verify without using GenAI.
 - d. a, b and c.
 - e. a and c only.

13. Some of the mistakes GenAI can commit include:
 - a. Omission of important details.
 - b. Misinterpretation of facts.
 - c. Producing false information.
 - d. Overstating its capabilities.
 - e. All of the above.

14. Some of the risks mentioned by the author when using GenAI tools can include:
 - a. Breach of data privacy.
 - b. Human biases can be reflected in the output.
 - c. Affordability of the GenAI products.
 - d. a and b.
 - e. a, b and c.

15. Researchers developed an approach by having the GenAI summarize an article with instructions to revise it several times to arrive at an “information dense” result. The approach is called:
 - a. Chain of revision.
 - b. Chain of Density.
 - c. Data density.
 - d. Revise and compact.
 - e. Compact editing.

Section III. Managing Change in Audit Technology Transformation (Page 27)

16. According to a survey, obstacles to implementing audit technology include:
 - a. Lack of reliable audit documentation.
 - b. Questionable efficiency.
 - c. Uncertain usefulness.
 - d. Lack of product offerings.
 - e. Questionable accuracy.

17. To lead a successful implementation of audit technology, firms must answer five key questions which can include:
 - a. What is not changing?
 - b. When are we changing?
 - c. How much will it cost?
 - d. Will our clients accept the change?
 - e. All of the above.

18. Advantages of technology that may facilitate firm leaders' acceptance includes:
 - a. Audit technology is a very low-cost, slow changing technology.
 - b. Efficiencies that reduce staff time.
 - c. Higher audit quality and effectiveness.
 - d. a, b and c.
 - e. b and c only.

19. Audit staff may enjoy the effects of audit technology, such as:
 - a. Conducting all aspects of the audit remotely, avoiding travel to the client's location.
 - b. Working more on complex areas and less time on repetitive manual tasks.
 - c. Elimination of most risk assessment analysis and procedures.
 - d. The ability to attract new clients with old technology and manual systems.
 - e. Audit technology is easy to learn and does not change very much.

20. The leading causes of change failure is:
 - a. Ineffective management.
 - b. Employee resistance.
 - c. A client base generally lagging in technology.
 - d. a and b.
 - e. a, b and c.

Sections IV-VII and exam questions 21-40 Relate to the Journal of Accountancy – May, 2024

Section IV. AI and Fraud: What CPAs Should Know (Page 7)

21. AI is helping criminals increase the _____ old fraud schemes:
 - a. Speed.
 - b. Efficiency.
 - c. Persistence.
 - d. a and b.
 - e. a, b and c.

22. The proliferation of cybercrime is due to two factors. It is:
 - a. Low risk and profitable.
 - b. Low risk and requires no skill.
 - c. Profitable and requires no skill.
 - d. Rarely reported and profitable.
 - e. Difficult to detect and profitable.

23. Criminals have recently used two neural networks to work in conjunction. One is trained to generate false information while the other works to detect false information. This arrangement is called:
 - a. Generative associated networks (GAN).
 - b. Generally adversarial networks (GAN).
 - c. Generative adversarial networks (GAN).
 - d. Generative advanced networks (GAN).
 - e. Generative associative networks (GAN).

24. The authors list how AI can be useful in detecting and preventing fraud. One of the limitations in detecting fraud is:
- Cyberfraud, by its nature, is difficult to detect.
 - The ability to detect a specific type of fraud is learned only after the fraud has been committed and studied.
 - It is so widespread it is impossible to detect.
 - AI is not yet advanced enough for widespread fraud prevention and detection.
 - The cost of the AI often exceeds the savings.
25. Recommended safeguards to prevent misuse of AI include:
- Avoiding the use of AI to generate documents available to the public .
 - Only using AI for accounting processes.
 - Limiting access to internal company data and social media posts.
 - Never allowing AI use in payroll processing.
 - All of the above.

Section V. Tracking the Top Trends in Fraud (Pg. 12)

26. Some examples vendor fraud include:
- Overstating sales and inventory values.
 - Kick-back schemes and padded invoices.
 - Nonexistent employees on the payroll.
 - Paying supplier invoices well after the due date.
 - Declining delivery of items for which there is no purchase order.
27. The author notes that some increase in vendor fraud can be attributed to:
- Less oversight resulting from company downsizing and layoffs during and after COVID-19.
 - Lack of awareness as vendor fraud is a recent phenomenon.
 - Cost, as vendor fraud losses tend to cost less than personnel and technology to prevent it.
 - The acceptance of working remotely after COVID-19 resulted less in office interaction and oversight that could help prevent or detect vendor fraud.
 - Current technology to detect or prevent vendor fraud is expensive and often unreliable.
28. Perpetrators of _____ tend to be high level insiders who would benefit from favorable financial reports.
- Vendor fraud.
 - Kick-back schemes.
 - Automatic shipping renewal programs.
 - Ransomware.
 - Revenue recognition fraud.
29. Which of the following are true about ransomware?
- It is activated by clicking a link in an email.
 - Clicking the link can activate automatic drafts from the company bank accounts.
 - It can disable an entire network which can easily be restored by rebooting the system.
 - a and c.
 - a, b and c.

30. During periods of disasters, fake charities can solicit donations. To assure donations are going to a legitimate charity, the author recommends:
- Calling the Internal Revenue Service Charity Hotline.
 - Donating only a modest amount.
 - Researching the charity using the platform GuideStar.
 - Donating only to nationally known charities such as Red Cross, United Way, etc.
 - Contacting the Federal Emergency Management Agency (FEMA) for verification.

Section VI. Time for a Tax Practice Tune-Up (Page 16)

31. The article discusses tax season “postmortem” topics which include questions of:
- What went well and what didn’t work?
 - Which clients are good or bad?
 - Which staff members should be terminated?
 - a and b.
 - a, b and c.
32. Firms may have no choice but to file an extension of time to file an income tax return due to:
- Late or missing information.
 - Client inability to pay the tax.
 - Complex issues that will take additional time to resolve.
 - a and b.
 - a and c.
33. Taxpayers must have a written information security plan as required by the:
- Tax Reform Act of 1986.
 - Gramm-Leach-Bliley Act (1999).
 - Internal Revenue Service regulations as explained in Pub. 5708.
 - Treasury Department Circular 230.
 - Tax Cuts and Jobs Act of 2017.
34. Determining whether existing or potential clients would be a good fit can include whether:
- The firm has the resources and talent to meet the client’s needs.
 - The client is prompt and responsive.
 - The client’s fees are significant.
 - a and b.
 - b and c.
35. In trying to figure out what motivates employees, one partner noted:
- Employees will not stay if they are overworked.
 - While some employees prefer working remotely, it presents engagement and motivation challenges.
 - It has been a struggle to figure out discretionary bonus plans that are motivating.
 - After the pandemic, the firm maintained a hybrid (office vs remote) work policy that the staff likes.
 - All of the above

Sections VII - IX and exam questions 35-50 Relate to the Journal of Accountancy – June, 2024

Section VII. Falling Hurts; So Does Litigation (Page 4)

36. To prove negligence, four elements must be satisfied, which are:
- Duty of care, breach, intent and damages.
 - A written agreement, breach, causation and damages.
 - Duty of care, breach, causation and damages.
 - Remuneration, breach, causation and damages.
 - Duty of care, breach, cause and effect and damages.
37. A duty of care exists when a legally recognized relationship exists between two parties. This can include:
- A written contract.
 - A duty established through court cases (common law).
 - An arrangement where the parties behave as if a relationship exists.
 - a and b.
 - a, b and c.
38. Which of the following is true concerning “damages?”
- If damages can’t be quantified, a lawsuit can still be filed.
 - Damages can be speculative.
 - Damages do not have to have been a foreseeable outcome of an act.
 - Damages resulting from not acting must be reasonably quantifiable.
 - All of the above.
39. Once the negligence case goes to trial, _____ will determine from evidence presented the relevant facts.
- A third-party expert.
 - Common law.
 - The opposing lawyers.
 - A jury or judge.
 - A third-party mediator.
40. The most common risk management advice to CPAs is to:
- Maintain sufficient professional liability insurance.
 - Document, especially conversations or acts that are not self-evident or are subject to debate.
 - Retain legal services to draft engagement letters containing negligence waivers..
 - Perform background checks as part of new client onboarding.
 - Outsource certain services prone to negligence.

Section VIII. Why Sustainability Information Matters to CPAs (Page 22)

41. Pressure for companies to disclose sustainability information is driven by:
 - a. Cost savings.
 - b. Congress.
 - c. Regulatory pressure, customer and investor demands.
 - d. Carbon energy producers.
 - e. State and local governments.

42. ESG-related information affects a company's:
 - a. Risk management and the cost of capital.
 - b. Customer requirements and employee sentiment.
 - c. Ability to expand into new markets or products.
 - d. a, b and c.
 - e. a and b only.

43. Greenhouse Gas (GHG) emissions have different categories. An example Scope 2 emissions is:
 - a. Electricity purchased from a utility company.
 - b. Emissions generated by a third party that ships the company's products.
 - c. Emissions generated by a third party that delivers supplies to the company.
 - d. Emissions generated public transportation that employee use to get to work.
 - e. Emissions generated by the company's oil-fired boiler.

44. Indirect emissions from a company's supply chain on average amount to _____ times the company's direct emissions:
 - a. 2.5.
 - b. 4.2.
 - c. 7.4.
 - d. 11.4.
 - e. 13.3.

45. Concerning US regulations for climate-related disclosure rules, which of the following is true?
 - a. All public and private companies are subject to the rules.
 - b. The SEC and the State of California have issued regulations.
 - c. The California regulations do not apply to private companies.
 - d. The SEC regulations require reporting of Scope 1 emissions only.
 - e. Scope 3 emissions are not required under either the SEC or CA regulations.

Section IX. How Auditors Can Apply a Forensic-Like Approach to Fraud (Page 36)

46. AU-C Section 240 describes requirements concerning fraud for auditors performing financial statement audits, which include:
- Maintaining professional skepticism throughout the engagement.
 - Discussing with engagement team members how and where the entity's financial statements may be susceptible to due to fraud and how the auditor might respond.
 - Inquire of management their risk assessment and process for identifying, responding to and monitoring the risks of fraud.
 - a and b only.
 - a, b and c.
47. When considering fraud, based on the ASB's outreach, key tenets of a forensic-like perspective would inform auditors that:
- Checklists can be very helpful in detecting fraud.
 - Fraud is almost always committed by those in accounting positions.
 - Fraud can be committed by anyone.
 - Following up on misstatements to understand the reason never leads to fraud.
 - Asking for documents to corroborate explanations from management is redundant and should be avoided.
48. Forensic professionals offered suggestions related to required fraud brainstorming, including:
- Incorporate results of data-analytics in brainstorming sessions.
 - Incorporate unpredictability in the nature, timing and extent of audit procedures.
 - Key engagement team members should attend.
 - a and b.
 - b and c.
49. When conducting inquiries of management and others, advice from fraud professionals include:
- Treat fraud inquiries as a larger discussion of fraud with management and those charged with governance.
 - Shorten questions to elicit "yes" or "no" answers to speed the process.
 - Email inquiries may be more productive as client personnel may be more at ease.
 - Fraud inquiries of non-accounting personnel rarely yield results as they have little access.
 - Avoid asking personnel whether they have been asked to perform a task that made the feel uncomfortable, as that could lead to an investigation causing others to avoid talking.
50. Forensic professionals noted the usefulness of:
- Searching payroll registers for employees with salaries or deductions that seem unreasonable.
 - Reviewing company credit card statements for personal expenses
 - Reviewing cleared checks to compare deposit endorsements to the payee's name.
 - a, b and c.
 - a and b only.