

SUMMARY OF SANCTION AGREEMENT

TIMOTHY JOSEPH DONNELLY, CPA, CA, and DONNELLY & CO. LLP CHARTERED ACCOUNTANTS

On the 27th day of October, 2020, the Complaints Inquiry Committee approved and accepted a sanction agreement pursuant to the provisions of s. 74 of the *Chartered Professional Accountants Act*.

Timothy J. Donnelly, CPA, CA and Donnelly & Co. LLP Chartered Accountants, admit to the allegation of unprofessional conduct as set out below, in that they, or either of them:

Failed to perform professional services with due care in that that they, or either of them did not fully document the communications surrounding the tax strategy chosen by Dr. G. and A.C.G. Professional Corporation that focused on minimizing impacts to cash flow rather than tax minimization for the tax years 2016-2017.

Timothy J. Donnelly, CPA, CA and Donnelly & Co. LLP Chartered Accountants, and the Complaints Inquiry Committee agree that the sanctions to be imposed in consequence thereof will be:

1. Payment of a fine of \$2,000, payable within 30 days of the statement of costs being served;
2. Within one year, completion of a course on tax practice risk management, which is acceptable to the CIC Secretary, by Timothy Donnelly, CPA, CA. Evidence of completion of the course must be provided to the Tribunal Secretary;
3. Payment of 50% of the costs of the investigation and discipline process incurred to date, to a maximum amount of \$10,000, in accordance with bylaw 1601, within 30 days of the statement of costs being served;
4. Mandatory publication pursuant to section 98 of the *CPA Act* and bylaws 1550-1557;
5. If Timothy Donnelly and Donnelly & Co. LLP Chartered Accountants fail to comply with the Tribunal's orders within the time specified, the registration of Timothy Donnelly and Donnelly & Co. LLP Chartered Accountants will be cancelled.

Discipline Tribunal Secretary
November 2020