

SUMMARY OF SANCTION AGREEMENT FABER LLP CHARTERED PROFESSIONAL ACCOUNTANTS

On the 21st day of May, 2019, the Complaints Inquiry Committee approved and accepted a sanction agreement pursuant to the provisions of s.74 of the *Chartered Professional Accountants Act*.

Under that agreement Faber LLP Chartered Professional Accountants (Faber LLP) admitted to the allegations of unprofessional conduct in that Faber LLP:

1. Failed to perform the professional services which they agreed to perform for OTR Inc. ("OTR") in 2014 with integrity and due care, namely preparing and submitting OTR's final corporate tax return for the period June 1, 2014 to October 23, 2014 (the "Final Return") and closing the OTR account with Canada Revenue Agency;
2. Accepted a Canada Revenue Agency cheque payable to OTR after OTR had closed its accounts and applied a portion of the proceeds of that cheque to an existing invoice for services previously performed for OTR, but improperly retained the balance of the proceeds, in the amount of \$440.26, without completing the related professional services, namely preparing and submitting the Final Return and closing the OTR account with Canada Revenue Agency;
3. Failed to establish, maintain or uphold appropriate practices, policies, or procedures designed to ensure that employees or contractors who are associated with Faber LLP or who provide professional services on behalf of Faber LLP comply with the Rules of Professional Conduct, in that:
 - a. the work of Faber LLP employee, RS, was not adequately supervised in relation to the professional services provided to OTR; and
 - b. Faber LLP did not, in an adequate or timely way, respond to the requests for information from TB in early 2017 regarding the notice received from Canada Revenue Agency regarding the failure to file the Final Return.

AND, Faber LLP Chartered Professional Accountants, and the Complaints Inquiry Committee agreed that the sanctions to be imposed in consequence thereof will be:

1. Payment of a fine of \$3,750 for allegation #1 within 30 days of the statement of costs being served;
2. Payment of a fine of \$2,500 for allegation #2 within 30 days of the statement of costs being served;
3. Payment of a fine of \$18,750 for allegation #3(a) within 30 days of the statement of costs being served;
4. Payment of a fine of \$1,875 for allegation #3(b) within 30 days of the statement of costs being served;
5. Payment of costs of the investigation, hearing and compliance with the orders, in accordance with bylaw 1601, within 30 days of the issuance of the statement of costs;
6. Mandatory publication pursuant to section 98 of the *CPA Act* and bylaws 1550-1557;
7. If Faber LLP fail to comply with the sanction agreement within the time specified, the registration of Faber LLP will be cancelled.

Discipline Tribunal Secretary
May 2019

