



**SUMMARY OF SANCTION AGREEMENT
JOSEPH BENASCHAK, CA and J. BENASCHAK PROFESSIONAL CORPORATION**

On the 1st day of February, 2010, the Complaints Inquiry Committee approved and accepted a sanction agreement pursuant to the provisions of s. 74 of the *Regulated Accounting Profession Act*, R.S.A. 2000, c. R-12.

Under that agreement, Joseph Benaschak, CA, acting alone or as a representative of J. Benaschak Professional Corporation or as a representative of Benaschak & Annon Professional Accountants, admitted that he was guilty of unprofessional conduct between January 2006 and April 2007 by issuing an unqualified Auditors' Report dated April 16, 2007 on the financial statements of the "Town A" for the year ended December 31, 2006 although

1. the financial statements failed to comply with generally accepted accounting principles as set out in section 3270 of the CICA PS Handbook, and
2. by failing to comply with generally accepted auditing standards as set out in the CICA handbook.

Joseph Benaschak, CA and the Complaints Inquiry Committee have agreed that the sanctions to be imposed in consequence thereof will be that:

1. Joseph Benaschak, CA be reprimanded by the Chair,
2. Joseph Benaschak restrict his practice from performing audit engagements unless he has a supervisor approved by the Chair of the Complaints Inquiry Committee who will review, at Mr. Benaschak's expense, all working paper files and financial statements of all audit engagements prior to the issuance of the financial statements and that he comply with the recommendations of the independent reviewer until the Practice Review Committee is satisfied that supervision is no longer required,
3. Joseph Benaschak pay a fine of \$5,000 within 30 days of the issuance of the statement of costs,
4. Joseph Benaschak pay costs of the investigation, hearing and compliance with the orders within 30 days of the issuance of the statement of costs,
5. Notification of a summary of the sanction agreement's admissions be provided to all provincial institutes, the Institute of Chartered Accountants of Bermuda and any other professional organization to which Joseph Benaschak, CA, belongs and the Institute is aware, as of the date of the order,
6. Notification of the sanction agreement's admissions be provided to all provincial institutes to which Joseph Benaschak, CA applies for membership at any time following this order,
7. Notification of the sanction agreement's admissions be provided to any member of the public who directs an enquiry to the Institute about the discipline history of Joseph Benaschak, CA,



8. Notification of the sanction agreement's admissions, the nature of the conduct and orders made be provided to all chartered accountants,
9. Notification of the restriction of practice be published to all chartered accountants by an insertion in the Membership Activity Report,
10. Notification of a summary of the sanction agreement's admissions, the nature of the conduct and any orders made as a result of the findings be published on the ICAA public website on a named basis, and
11. If Joseph Benaschak fails to comply with the agreement within the time specified, the registration of Joseph Benaschak will be cancelled.