



## SUMMARY OF SANCTION AGREEMENT

The Complaints Inquiry Committee [CIC] entered into a sanction agreement with **Member “A”**.

In the course of a conduct review the CIC secretary received information and extended a complaint to deal with Member “A” conduct.

This complaint was investigated by the Institute and a sanction agreement was accepted by the Complaints Inquiry Committee when Member “A” admitted that he was guilty of unprofessional conduct in having:

1. failed to perform his fiduciary responsibility to the partnership Company “A” with integrity and due care by failing to
  - a) maintain separate records for the partnership Company “A” distinct from the records of Company “B” and/or
  - b) maintain reliable financial records for the partnership Company “A”;
2. associated himself with financial statements which he knew or should have known were false and misleading in that he associated himself with multiple versions of financial statements for Company “A” for the year ended December 31, 2002; more particularly
  - a) a financial statement reflecting partnership capital of \$313,926, and
  - b) a financial statement reflecting partnership capital of \$179,092

although none of the financial statements indicated that previous financial statements had been issued, that financial statements had been amended, or the reasons for any amendment.

3. associated himself with financial statements which he knew or should have known were false and misleading in that he associated himself with multiple versions of financial statements for Company “A” for the year ended December 31, 2001; more particularly
  - a) a financial statement reflecting partnership capital of \$243,653, and
  - b) a financial statement reflecting partnership capital of \$293,782

although none of the financial statements indicated that previous financial statements had been issued, that financial statements had been amended, or the reasons for any amendment.

Member “A” and the Complaints Inquiry Committee have agreed that the sanction to be imposed in consequence thereof will be:

1. a reprimand,
2. 70% of the costs of the investigation, and
3. Minimum publication as required under the Act and Bylaws including a summary of admissions and the terms of the sanction agreement be provided to
  - a. all provincial institutes,



- b. the Institute of Chartered Accountants of Bermuda,
- c. the Financial Planners Standards Council,
- d. any other professional organization to which Member "A" belongs of which the Institute is aware,
- e. all provincial institutes to which Member "A" applies in the future,
- f. anyone who directs an enquiry to the Institute about the discipline history of Member "A", and

A summary of admissions and the terms of the sanction agreement be published on the Institute's public website.

Jude Corrin  
Discipline Tribunal Secretary  
May 9, 2005