



SUMMARY OF SANCTION AGREEMENT

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

A complaint was received alleging unprofessional conduct by Member "A" with respect to his role as Chief Financial Officer of Company "A"

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 as CFO of Company "A", as he failed to ensure that the future-oriented financial information for three years ended December 31, 2001, December 31, 2002 and December 31, 2003 included a Notice to Reader page and Significant Assumptions, page and as such there was

- a) no cautionary note that actual results achieved for the period covered would vary from the information presented and that the variations may be material,
- b) no indication whether the financial information was a forecast or a projection,
- c) no disclosure of the effective date of the underlying assumptions,
- d) no disclosure as to whether the entity intended to update the future-oriented financial information subsequent to issuance, and
- e) no disclosure of the significant assumptions underlying the future-oriented financial information,

in the format required by Section 4250 of the CICA Handbook.

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

1. complete the Handbook Refresher or Handbook Refresher for Members in Industry within one year if currently acting as a CFO now or within one year of becoming a CFO,
2. fine of \$1,000,
3. costs of the investigation and hearing, and,
4. minimum publication under the Bylaws being:

- That a summary of admissions and the terms of the sanction agreement be provided to
- a. all provincial institutes, and the Institute of Chartered Accountants of Bermuda, and any other professional organization Member "A" belongs to and the Institute is aware of,
 - b. all provincial institutes to which Member "A" applies in the future,
 - c. anyone who directs an enquiry to the Institute about the discipline history of Member "A", and
 - d. published on the Institute's public website on a named basis.

Jude Corrin
Discipline Tribunal Secretary
May 25, 2005