



DISCIPLINE NOTICE

The Complaints Inquiry Committee entered into a Sanction Agreement with Member "A".

The United States Securities and Exchange Commission [SEC] investigated the audit of a small US public company with a Calgary head office. Member "A" was the audit engagement partner at Company "A". He authorized accountants employed by Company "A" to provide bookkeeping services to the company from 1999 to 2001 and supervised the work. The audit engagement staff made journal entries that were recorded in the 2002 financial statements and provided advice on how to record stock issuances in 2001. The SEC found that Member "A", CA failed to keep informed of and in compliance with developments in professional standards by his failure to comply with the independence guidance contained in the SEC Codification of Financial Reporting Policies and imposed remedial sanctions against him. The complaint to the Institute was self-reported.

A sanction agreement was accepted by the Complaints Inquiry Committee when Member "A", CA admitted that he was guilty of unprofessional conduct with respect to the findings of the SEC that he failed to keep informed of and in compliance with developments in professional standards in all functions in which he practiced by his failure to comply with the independence guidance contained in the SEC Codification of Financial Reporting Policies and that he brought the accounting profession into disrepute with the findings of the SEC that he had engaged in improper professional conduct pursuant to rule 102(e)(1)(ii) of the SEC's rules of practice.

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

Member "A" will receive a reprimand, provide to the Complaints Inquiry Committee an undertaking that he will comply with all requirements imposed by the SEC prior to making any application to appear or practice before the SEC, and pay the costs of the investigation and hearing.

In addition to this notice, the admissions and sanctions contained in the agreement will be provided to all provincial institutes, the Institute of Chartered Accountants of Bermuda and to any other professional organization to which he belongs and to anyone who directs an enquiry to the Institute about the discipline history of Member "A".

Jude Corrin
Discipline Tribunal Secretary
June 14, 2007