



## **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 concurring and SEC reviewing partner of the audits. Member "A" concurred in the issuance of the audit reports and did not require Company "A" to withhold its audit reports even though he was informed that Company "A" was preparing the company's basic accounting records and financial statements. The SEC found that Member "A" failed to cause Company "A" to comply with independence guidance contained in the 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" admitted that he was guilty of unprofessional conduct with respect to the findings of the SEC that he failed to cause Company "A" to comply with independence guidance contained in the 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 Commission'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 a sworn statutory declaration to the Complaints Inquiry committee confirming he has complied with all requirements imposed upon him by the SEC order and pay the costs of the investigation and hearing.

In addition to this notice, the admissions, sanctions and terms of the sanction agreement will be provided to all provincial institutes, the Institute of Chartered Accountants of Bermuda, to any professional organization to which he belongs and to anyone who directs an enquiry to the Institute about the discipline history of John Gordon, CA.

Jude Corrin  
Discipline Tribunal Secretary  
June 14, 2007