

SUMMARY OF SANCTION AGREEMENT REGISTRANT A

On 3rd day of May, 2016 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 ("*RAPA*").

Under that agreement Registrant A admitted to the allegations of unprofessional conduct as set out in the March 8, 2016 motion referring the matter to hearing in that:

1. Registrant A failed to perform tax planning services for his clients with integrity and due care by:
 - a) failing to consider the tax implications or to involve an accountant with sufficient tax experience in the tax estimate that he prepared in March 2014 when he became aware that two individuals planned to purchase the shares of OE Ltd. from his clients through their individual holding companies.

CONDUCT

Registrant A did not consult a tax specialist when he prepared the revised tax estimate for his clients and did not contemplate the consequences of the application of Section 84.1 of the Income Tax Act to the sale transaction when he prepared the revised income tax estimate. On or about September 22, 2014, when the tax group of the accounting firm reviewed the Notice to Reader prepared by the accounting firm for OE Ltd., they identified and advised Registrant A of the Section 84.1 tax issue.

SANCTIONS

Registrant A, and the Complaints Inquiry Committee agreed that the sanctions to be imposed in consequence thereof will be:

1. a written reprimand;
2. payment of a fine of \$2,500 within 30 days of the statement of costs being served;
3. payment of the costs of the investigation, hearing and compliance with any orders within 30 days of the statement of costs being served; and
4. publication
 - a. a summary of the sanction agreement's admissions and sanctions be provided to all provincial CPA bodies, CPA Bermuda and any other professional organization to which Registrant A belongs and CPA Alberta is aware, as of the date of this order;
 - b. notification of the sanction agreement's admissions and sanctions be provided to all provincial CPA bodies, to which Registrant A applies for membership at any time following this order;
 - c. notification of the sanction agreement's admissions and sanctions be provided to anyone who directs an enquiry to CPA Alberta about the discipline history of Registrant A;
 - d. 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 CPA Alberta website on a named basis; and
 - e. the sanction agreement, with all third parties' names replaced by pseudonyms, be published on the CPA Alberta website on a named basis; and
 - f. a copy of that written decision be provided to Quicklaw in accordance with the bylaws.

Discipline Tribunal Secretary
May 2016