



SUMMARY OF SANCTION AGREEMENT MEMBER F

On the 15th day of March 2012, the Complaints Inquiry Committee (“CIC”) of the Institute of Chartered Accountants of Alberta (“Institute”) approved and accepted a sanction agreement pursuant to the provisions of Section 74 of the *Regulated Accounting Profession Act, R.S.A. c. R-12 (RAPA)*.

Under that Sanction Agreement, Member F acting alone or as a representative of 123 Certified General Accountants, is guilty of unprofessional conduct with respect to professional services regarding the audited financial statements of Company A for the years ended December 31, 2003 through 2005 and Company B for the years ended December 31, 2002 to 2004 in that he:

1. issued unqualified auditors’ reports although the financial statements did not appropriately disclose projects under development, conditions of an option agreement, amounts owing to related parties and the particulars of the sale and purchase of shares of a related company;
2. failed to follow up with Company A regarding a deficiency letter from the Alberta Securities Commission;
3. failed to ensure the communication by the firm to the audit committee and board of directors of Companies A & B complied with the recommendations set out in the CICA Handbook.

Member F and the Complaints Inquiry Committee (CIC) agreed that the sanctions to be imposed are:

1. reprimand from the Chair;
2. payment of fines of \$22,500 within 180 days of the issuance of the statement of costs;
3. payment of costs of the investigation, hearing and compliance with the orders to a maximum of \$35,000 within 180 days of the issuance of the statement of costs;

In addition to this summary of Sanction Agreement, Member F and the CIC agreed to the following publication:

1. notification of a summary of the sanction agreement’s admissions and sanctions be provided to all provincial institutes, the Institute of Chartered Accountants of Bermuda and any other professional organization to which Member F, belongs and the Institute is aware, as of the date of this order;
2. Notification of a summary of the sanction agreement’s admissions and sanctions be provided to all provincial institutes to which Member F, applies for membership at any time following this agreement;



3. a summary of the sanction agreement's admissions and sanctions be provided to the Canadian Public Accountability Board;
4. a summary of the sanction agreement's admissions and sanctions and, upon request, a copy of the sanction agreement, be provided to the Certified General Accountants' Association of Alberta;
5. a summary of the sanction agreement's admissions and sanctions be provided to anyone who directs an enquiry to the Institute about the discipline history of Member F;
6. the sanction agreement with all third parties' names replaced by pseudonyms, be published on the ICAA public website on a named basis;
7. a copy of the sanction agreement with all third parties' names replaced by pseudonyms, be provided to Quicklaw in accordance with the bylaws;
8. a notice of discipline sanction be placed in the Calgary Herald, and that more information can be obtained from the Institute.

If Member F fails to comply with any terms of this sanction agreement within the time specified, the registration of Member F will be cancelled and he will be required to return his membership certificate to the Institute.

Discipline Tribunal Secretary
March 16, 2012