

**SUMMARY OF SANCTION AGREEMENT
MEMBER J
FIRM J**

On September 6, 2019, the Complaints Inquiry Committee approved and accepted a sanction agreement pursuant to the provisions of s. 74 of the *Chartered Professional Accountants Act*.

Under that agreement Member J, on his own behalf and on behalf of Firm J (“the firm”), admitted to the allegations of unprofessional conduct in that he:

1. Failed to comply with professional standards with respect to a review engagement that was carried out in each of 2015, 2016 and 2017 (for financial statements for the year ends 2014, 2015 and 2016 respectively);
2. Failed to comply with the recommendations of Practice Review with respect to noted deficiencies in the three most recent practice reviews (conducted in each of 2015, 2016 and 2017) of the firm; and
3. Failed to comply with the requirements of Practice Review to respond to the noted deficiencies.

AND, Member J, on his own behalf and on behalf of the firm and the Complaints Inquiry Committee agreed that the sanctions to be imposed in consequence thereof would be:

1. Practice restriction whereby the firm is prohibited from performing any audit or review engagements of general purpose financial statements (as defined in the CPA Canada Handbook-Assurance, 2019 Edition, Volume I) unless:
 - a) the firm has arranged for a CPA Alberta appointed supervisor to supervise the engagement, and
 - b) the firm shall not issue, release or otherwise disclose any work product of the engagement until it has been reviewed and approved by the CPA Alberta appointed supervisor.
2. The fees for the CPA Alberta appointed supervisor shall be paid by the firm.
3. The practice restriction in Paragraph 1 above shall continue in place until the firm successfully undergoes two (2) consecutive compliant Practice Reviews on an accelerated practice review schedule.
4. Payment of costs of the investigation, hearing and compliance with the orders, in accordance with bylaw 1601, within 30 days of the statement of costs being served;
5. Mandatory publication pursuant to section 98 of the CPA Act and bylaws 1550-1557; and
6. If Member J or the firm fail to comply with the Tribunal's orders within the time specified, the registration of Member J or the firm will be cancelled.