



Chartered Professional Accountants of Ontario
130 King Street West, Suite 3400
PO Box 358, Toronto ON M5X 1E1
T: 416 962.1841 F: 416 962.8900 Toll Free 1.800.387.0735
cpaontario.ca

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO ACT, 2017

TO: RUTH SEGUIN, CPA, CGA

AND TO: The Discipline Committee of CPA Ontario

The Professional Conduct Committee of CPA Ontario hereby makes the following Allegation of professional misconduct against RUTH SEGUIN, CPA, CGA, a member of CPA Ontario:

1. THAT the said Ruth Seguin, on or about June 19, 2019, was convicted of the criminal offence of Fraud, contrary to section 380(1)(a) of the Criminal Code of Canada, as set out in Schedule "A" attached, and did thereby fail to act in a manner which will maintain the good reputation of the profession and its ability to serve the public interest, contrary to Rule 201.1 of the CPA Ontario Code of Professional Conduct.

Dated at Brampton, Ontario, this 12th day of March 2020.

A handwritten signature in blue ink, appearing to read "A.J. Sokic", written over a horizontal line.

A.J SOKIC, CPA, CA, DEPUTY CHAIR
PROFESSIONAL CONDUCT COMMITTEE

PTA 23 AUG 18

SEGUIN | 12

17555212

18-6973
~~18-7162~~

CANADA
PROVINCE OF ONTARIO
PROVINCE DE L'ONTARIO
CENTRAL WEST
(Region / Région)

Information of C. VUKOSA
Dénonciation de :
of HAMILTON POLICE SERVICE
de

PEACE OFFICER
(occupation / profession)

The informant says that he/she believes on reasonable grounds that
Le dénonciateur déclare qu'il a des motifs raisonnables de croire que

(Name / Nom)
SEGUIN, RUTH M

(Sex / Sexe) (Address / Adresse)
F 174 LAURIER AV, HAMILTON, ON Canada


(date of birth / date de naissance)
1962/05/08

(1) on or between the / le ou entre le 1st day of / jour de September, yr. / an 2011 and 30th day of December in the year 2016
at the CITY of HAMILTON in the said region
à/au) de dans ladite région

did unlawfully by deceit, falsehood or other fraudulent means, defraud Lawrie Insurance Group (Dan Lawrie Insurance) of money of a value exceeding \$5,000.00, contrary to the provisions of Section 380(1)(a) of the Criminal Code of Canada.

and further that Ruth SEGUIN on or between the 01st day of September in the year 2011 and the 30th day of December in the year 2016 at the City of Hamilton in the said region did unlawfully steal to wit: money valued at over \$5,000.00, the property of Lawrie Insurance Group (Dan Lawrie Insurance), contrary to the provisions of Section 334(a) of the Criminal Code of Canada.

CERTIFIED A TRUE COPY OF THE ORIGINAL
POUR COPIE CONFORME


Clerk of the Court
greffier de la Cour

Accused notified court under s. 530(3) / Tribunal avisé par l'accusé en vertu du par. 530 (3)
 Designation Filed / Désignation déposée
 Interpreter Required / Interprète requis

Date	Accused / Accusé	Adjournment Date / Date d'ajournement	Adjournment Details / Détails sur l'ajournement	Designation / Désignation	Counsel As Agent / Avocat comparaitre	Fails to Appear / Omet de comparaitre	Bench Warrant / Mandat d'amener	Discretion / Discretion	Certificate of Default / Certificat de défaut
MAR 14 2019		08 March 19	SD Tom 304 APN						
MAR 28 2019	✓	07 May 19	TP 10am 2.3 ACP						
MAY 09 2019	(304) Held	13 Jun 19	SD Tom 204 APN						
JUN 13 2019		19 June 19	✓ TP 2 #303 ACP						
JUN 19 2019	PSR requested	19 June 2019	SS 10am 204 ACP						
AUG 13 2019		03 Sep 19	SS 10am #303 ACP						
SEP 23 2019		23 Sep 19	SS 10am 204 ACP						
SEP 26 2019	✓								

CERTIFIED A TRUE COPY OF THE ORIGINAL
 POUR COPIE CONFORME

Clerk of the Court / greffier de la Cour

Justice's initials / Initiales du juge

Date / Date	Clerk / Greffier	Crown / Couronne	For the Accused / Pour l'accusé	Justice's initials / Initiales du juge
MAR 14 2019	Battenham	Reese	DIC	CP
MAR 28 2019	Platt	Page	Contente	DD
MAY 09 2019	Worwood	McCracken	Contente	MM
	Shantz	Reese	For Contente	B.Z.
JUN 13 2019	Brace	Reese	Contente	JF
JUN 19 2019	Hanna	McCracken	Contente	MA
SEP 23 2019	Shantz	Levy	Contente	MA
SEP 26 2019	Shantz	Levy	Contente	MA

At Bail Review dated / À la révision de l'ordonnance de détention datée du

Original Order Confirmed / Ordonnance originale confirmée
 New Order Made / Nouvelle ordonnance rendue
 Gladue Report Requested / Rapport Gladue demandé (date / date)

- Language Notification Issues / Langue de notification
 Interpreter / Interprète

CERTIFIED A TRUE COPY OF THE ORIGINAL
POUR COPIE CONFORME

APPEARANCES - ADJOURNMENTS
COMPARUTIONS - AJOURNEMENTS

Clerk of the Court
 greffier de la Cour

Page "A"

Date Date	Accused Accusé(e)	Adjournment Ajournement	Parties Consent Consentement des parties	Appearance Details Détails de la comparution	Reason for Adjournment Raison de l'ajournement	Counsel as Agent Avocat(e) mandataire	Fails to Appear Omet de comparaître	Bench Warrant Mandat du tribunal	Discretion	Certificate of Default Certificat de défaut
AUG 23 2018	13 Sept 18		✓	SD 9AM 204 APN						
SEP 13 2018		04 OCT 2018	✓	SD 9AM 204 APN						
OCT 04 2018		25 OCT 2018	✓	SD 9AM 204 APN	APN					
OCT 25 2018	20 Nov 2018		✓	SD 9AM 204 APN	APN					
NOV 22 2018		31 JAN 19	✓	SD 9AM 204 APN						
AN 23 2018	14 Feb 2019		✓	SD 9AM 204 APN						
FEB 14 2019		14 MAR 2019	✓	SD 9AM 204 APN	APN					

Date Date	Clerk Greffier	Reporter Sténographe	For Crown Pour la Couronne	For Accused Pour l'accusé(e)	Justice's Initials Initiales du juge
AUG 23 2018					LL
SEP 13 2018	Taraky	McCauley	Kogon	de Jamjeadi	DD
OCT 04 2018	Balochi	McCauley	Rogers		JK
OCT 25 2018	Lecuyer	Parker	Rogers	JK	MB
NOV 22 2018	OT/SB	HODEN	ALAN	AOP CONFENTE	GP
JAN 23 2019	McCauley	McCauley	Seaman	McCauley	LL
FEB 14 2019	Mancubat		Alvaredo	de Jamjeadi	LL

Accused / Accusé(e)

Notice Given Under H.T.A.
 Avis en vertu du Code de la route

Suspension
 Suspension

Impoundment
 Mise en fourrière

Accused / Accusé(e):

515(9.1) Detained in custody primarily because of a previous conviction Yes No Date: _____
 Détention sous garde fondée principalement sur une condamnation antérieure Oui Non Date: _____

Confirmed and initialed by the Judge/Justice of the Peace in the appropriate box above /
 Confirmé et paraphé par un(e) juge/juge de paix dans la case appropriée ci-haut

At the Bail Review dated _____, 515(9.1) was confirmed rescinded made (see application)
 Au moment de la révision du cautionnement, le 515(9.1) a été confirmé révoqué exécuté (voir la requête)

Accused / Accusé(e):

515(9.1) Detained in custody primarily because of a previous conviction Yes No Date: _____
 Détention sous garde fondée principalement sur une condamnation antérieure Oui Non Date: _____

Confirmed and initialed by the Judge/Justice of the Peace in the appropriate box above /
 Confirmé et paraphé par un(e) juge/juge de paix dans la case appropriée ci-haut

At the Bail Review dated _____, 515(9.1) was confirmed rescinded made (see application)
 Au moment de la révision du cautionnement, le 515(9.1) a été confirmé révoqué exécuté (voir la requête)

Accused / Accusé(e):

515(9.1) Detained in custody primarily because of a previous conviction Yes No Date: _____
 Détention sous garde fondée principalement sur une condamnation antérieure Oui Non Date: _____

Confirmed and initialed by the Judge/Justice of the Peace in the appropriate box above /
 Confirmé et paraphé par un(e) juge/juge de paix dans la case appropriée ci-haut

At the Bail Review dated _____, 515(9.1) was confirmed rescinded made (see application)
 Au moment de la révision du cautionnement, le 515(9.1) a été confirmé révoqué exécuté (voir la requête)

Sworn before me at the CITY
 Déclaré sous serment devant moi à (au)
 of / de HAMILTON
 in the Province of Ontario / dans la province de l'Ontario
 this 25 day of July, yr. 2018
 ce jour de an

Informant / Dénonciateur
 Justice of the Peace / Juge de paix

- Appearance Notice / Citation à comparaître
 Promise to Appear / Promesse de comparaître
 Recognizance / Engagement

for Aug 23 yr 2018
 pour le an

CHECK ONE OF THE FOLLOWING / COCHEZ LA CASE QUI DÉCRIT VOTRE SITUATION

- Cancelled - Police to notify defendant / Annulé(e) - La police informera la partie défenderesse
 Cancelled - Summons / Annulé(e) - Sommation
 Cancelled - Warrant issued / Annulé(e) - Mandat Délivré

Confirmed on July 25 yr 2018
 Confirmé(e) le an

Justice of the Peace / Juge de paix

- Publication ban pursuant to / Interdiction de publication en vertu de

Date / Date: Crown Elects to Proceed / Choix de la Couronne
 Summary / Procédure sommaire
 By Indictment / Acte d'accusation
 Summary Conviction Offence(s) / Infraction(s) punissable(s) sur déclaration de culpabilité par procédure sommaire
 Indictable Offence(s) / Infraction(s) punissable(s) par mise en accusation

Date / Date	Accused / Accusé(e)	Elects Trial by / Choix d'un procès devant			Preliminary Hearing Requested / Enquête préliminaire demandée		Justice's Initials / Initiales du juge	Abs. Junis. Comp. absolu	Pleas / Plaidoyer	
		Superior Court / Cour supérieure		Ontario Court / Cour de l'Ontario	Yes / Oui	No / Non			Guilty to Counts / Coupable pour les chefs d'accusation	Not Guilty to Counts / Non coupable pour les chefs d'accusation
		Judge / Juge	Judge & Jury / Juge et jury	Judge On Counts / Juge pour les chefs d'accusation						
JUN 19 2019	waived reading of elects									

CERTIFIED A TRUE COPY OF THE ORIGINAL
 POUR COPIE CERTIFIÉE

Clerk of the Court / greffier de la Cour

Date / Date	Accused / Accusé(e)	Committed (or) Or. Std. Trial On Counts / Interne(e) / ou) renvoyé(e) à son procès pour les chefs d'accusation	Discharged on Counts / Libéré(e) pour les chefs d'accusation	Found Guilty on Counts / Reconnu(e), coupable pour les chefs d'accusation	Not Guilty on Counts / Non coupable pour les chefs d'accusation
JUN 19 2019					

- * With consent of accused and prosecutor, without taking or recording / Avec le consentement de l'accusé(e) et du poursuivant sans recueillir ou consigner
 (a) any evidence / a) de preuve
 (b) further evidence / b) de preuve supplémentaire

SEP 26 2019 CT # 2 → withhold 2000
 COURT # 1 → 4 hours bail
 Fine in lieu of signature \$3,475, 280.22. 20 hrs to pay
 in default of payment 5 years consent
Pitman
 Judge / Juge

Victim Surcharge \$ / Suramende compensatoire
 Time to Pay / \$ Délai de paiement

Justice of the Peace / Juge de paix

ORDER OF FINE IN LIEU OF FORFEITURE
ORDONNANCE DE PAIEMENT D'UNE AMENDE EN REMPLACEMENT DE LA CONFISCATION

CANADA
PROVINCE OF ONTARIO
PROVINCE DE L'ONTARIO
Central West / Centre-Ouest
(Region / Région)

Section / Article 462.37(3)
of the Criminal Code / du Code criminel
4711-998-18-6973
Case/File No. / N° du cas/dossier

Her Majesty the Queen vs. Ruth M SEGUIN
Sa Majesté la Reine c. (name of offender / nom du délinquant)
May 8, 1962 (date of birth / date de naissance)
Address 174 Laurier Ave, Hamilton, Ontario
Adresse

ON BEING SATISFIED that you have been convicted, or discharged under s.730, of the following designated offence(s) or
AYANT CONCLU que vous avez été reconnu(e) coupable ou que vous avez obtenu une absolution en vertu de l'article 730 en ce qui
concerne la (les) infraction(s) désignée(s) suivante(s), le

September 26, yr. 2019
an

Table with 2 columns: Count Number and Brief Description of Offence, Section Article. Row 1: #1: Fraud Over \$5,000.00, 380 (1)(a) ccc

AND UPON being satisfied that the requirements of section 462.37(3) have been met,
ET ayant conclu que les exigences du paragraphe 462.37(3) sont remplies :

You shall pay the total amount of \$ 30,425,290.28 to the Ministry of the Attorney General
Vous devez payer le montant total de \$ au Ministère du procureur général.

By cheque or money order only and payable to the Ministry of the Attorney General. This office does not accept cash. Please send to the
address noted below.
Par chèque ou mandat uniquement, libellé à l'ordre du « Ministère du Procureur général ». Notre bureau n'accepte pas d'argent comptant.
Veuillez envoyer votre paiement à l'adresse ci-dessous.

You shall comply with the following terms of payment:
Vous devez vous conformer aux conditions de paiement suivantes :

- (a) the entire amount within ... or
(b) at the rate of \$... per month on the ... day of each month, starting on the ... day of ...
(c) ...

In accordance with s.462.37(4)(a), in default of payment of the fine, a term of imprisonment of 5 year consecutive is hereby imposed.
Conformément à l'alinéa 462.37(4) a), à défaut du paiement de l'amende, une peine d'emprisonnement de ... est par les présentes infligée.

In accordance with s.462.37(4)(b), any default term of imprisonment is to be served consecutively to any other term of imprisonment
imposed on the offender or that the offender is then serving.
Conformément à l'alinéa 462.37(4) b), toute peine d'emprisonnement doit être purgée après toute autre peine d'emprisonnement infligée
au contrevenant ou que celui-ci est en train de purger.

Section 462.49 applies in respect of this order. If there remain concurrent restitution orders made to the benefit of the victims, the restitution
orders shall take priority over payment of the fine in lieu of forfeiture ordered herein, and the fine in lieu of forfeiture shall be reduced by any
amount paid to the restitution orders in favour of the victims named therein.
L'article 462.49 s'applique à la présente ordonnance. Si d'autres ordonnances de dédommagement concurrentes ont été rendues au profit de la
(s) victime(s), ces ordonnances prévaudront sur le paiement de l'amende en remplacement de la confiscation et l'amende en remplacement de
la confiscation sera réduite de tout montant versé dans le cadre de l'ordonnance de dédommagement en faveur des victimes qui y sont nommées.

DATED at City of Hamilton in the Province of Ontario, this 26 day of September 20 19
FAIT à (au) dans la province de l'Ontario ce jour de

COURT ADDRESS: / ADRESSE DE LA COUR :
Crown Law Office Criminal
Ministry of the Attorney General
725 Bay St. 10th Floor
Toronto, Ontario
M7A 2S9
Telephone: (416) 326-4600
Attention: Assets Coordinator
Bureau des avocats de la Couronne -
Droit criminel
Ministère du Procureur général
720, rue Bay, 10e étage
Toronto (Ontario) M7A 1S9
Téléphone: 416 326-4600
À l'attention du coordonnateur des actifs

Handwritten signature and stamp:
Judge, Trial Registrar/Clerk of the Court / Juge/Greffier
local/Greffier de la cour
MAGRO
BY THE ORIGINAL
INFORME
Clark of the Court
greffier de la Cour

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO
CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO ACT, 2017

DISCIPLINE COMMITTEE

IN THE MATTER OF: Allegations against **RUTH SEGUIN**, a member of the Chartered Professional Accountants of Ontario, under **Rule 201.1** of the CPA Ontario Code of Professional Conduct

TO: Ruth Seguin

AND TO: The Professional Conduct Committee

DECISION AND ORDER MADE NOVEMBER 17, 2020

DECISION

The allegation that Ruth Seguin has breached Rule 201.1 of the CPA Ontario Code of Professional Conduct is established and constitute professional misconduct.

ORDER

IT IS ORDERED THAT:

1. Ruth Seguin be reprimanded in writing by the Chair of the hearing;
2. Ruth Seguin shall pay a fine of \$65,000 to the Chartered Professional Accountants of Ontario ("CPA Ontario") by November 17, 2022;
3. Ruth Seguin's membership with CPA Ontario is revoked from the date of this Decision and Order;
4. Notice of this Decision and Order, disclosing Ruth Seguin's name, is to be given in the form and manner determined by the Discipline Committee:
 - (a) to all members of CPA Ontario;
 - (b) to all provincial bodies,and shall be made available to the public;
5. Notice of this Decision and Order disclosing Ruth Seguin's name is to be given by publication on the CPA Ontario website and in the *Hamilton Spectator*. Ruth Seguin shall pay all costs associated with the publication, which shall be in addition to any other costs ordered by the Panel.

AND THAT:

5. Ruth Seguin shall pay costs of \$2,600 to CPA Ontario by November 17, 2022.

DATED at Toronto this 17th day of November 2020.

A handwritten signature in blue ink, appearing to read 'R. Adamkowski', is written over a large, light blue circular stamp or watermark.

Randal J. Adamkowski, CPA, CA
Discipline Committee – Deputy-Chair

**CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO
CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO ACT, 2017**

DISCIPLINE COMMITTEE

IN THE MATTER OF: Allegations against **RUTH M. SEGUIN, CPA, CGA**, a member of the Chartered Professional Accountants of Ontario, under **Rule 201.1** of the CPA Ontario Code of Professional Conduct.

BETWEEN:

**Chartered Professional Accountants of Ontario
Professional Conduct Committee**

-and-

Ms. Ruth M. Seguin

APPEARANCES:

For the Professional Conduct Committee: Julia McNabb, Counsel

For Ms. Seguin: Not Present/Unrepresented

Heard: November 17, 2020

Decision and Order effective: November 17, 2020

Release of written reasons: December 18, 2020

REASONS FOR THE DECISION AND ORDER MADE NOVEMBER 17, 2020

I. OVERVIEW

- [1] This hearing was held to determine whether the allegation that Ruth M. Seguin failed to maintain the good reputation of the profession as a result of being convicted of the criminal offence of Fraud Over \$5000, was established on a balance of probabilities and, if so, whether the allegation amounted to professional misconduct.
- [2] Ms. Seguin obtained her Certified General Accountant (“CGA”) designation in 1989 and she became a CPA upon amalgamation of the accounting designations in 2014. In May 2004, Ms. Seguin began working as a financial controller for Lawrie Insurance Group (Dan Lawrie Insurance) (“the company”). After having earned numerous promotions, in April of 2012, Ms. Seguin became the company’s Chief Financial Officer.
- [3] As a result of concerns raised by a bank manager regarding in branch transactions on behalf of the company by Ms. Seguin including deposits into her personal bank account, an internal bank investigation was launched in December 2016. In March of 2017, a police

investigation was instigated. On July 16, 2018, Ms. Seguin was arrested and charged with Fraud Over \$5000 and Theft Over \$5000, contrary to the *Criminal Code of Canada*. It was alleged Ms. Seguin had stolen and defrauded the company of \$3,425,280.28.

- [4] On June 19, 2019, Ms. Seguin pleaded guilty to and was convicted of Fraud Over \$5000, contrary to s.380 (1) (a) of the *Criminal Code of Canada*. On September 26, 2019, Ms. Seguin was sentenced to serve a four year custodial sentence. A fine in lieu of forfeiture in the amount of \$3,425,280.28 was also imposed, to be paid within 20 years of the date of sentence. In the event that Ms. Seguin does not pay the fine, the Court ordered that she should serve a consecutive five year custodial sentence.
- [5] The onus was on the Professional Conduct Committee (PCC) to show on a balance of probabilities that Ms. Seguin's conviction for Fraud Over \$5000 breached Rule 201.1 of CPA Ontario's *Code of Professional Conduct*, and that such conduct constituted professional misconduct.

II. PRELIMINARY ISSUES

- [6] As Ms. Seguin was not present at the hearing, the Panel had to be satisfied that she had received proper notice of the disciplinary hearing.
- [7] On March 24, 2020, an Order for Substitute Service was obtained, permitting service of the Notice of Allegation to be served on Ms. Seguin while she was incarcerated at Grand Valley Institute for Women. On March 27, 2020, the Allegation was filed with the Tribunal.
- [8] Julia McNabb, Counsel for the PCC filed two affidavits addressing the issue of service. The first affidavit was that of Mervyn Archdall, Process Server with Independent Process Servers (Exhibit 1). The Affidavit confirmed that Mr. Archdall had personally served Ms. Seguin on September 10, 2020 with copy of a letter from Ms. McNabb, dated September 8, 2020. Ms. McNabb's letter contained a copy of the Allegation of Professional Misconduct, dated March 12, 2020. Ms. McNabb's letter requested that Ms. Seguin provide information to the Adjudicative Tribunals Secretary so that a Notice of Hearing could be issued and a disciplinary hearing date set. Ms. McNabb's letter also contained a copy of information regarding the hearing process.
- [9] Ms. McNabb also filed the Affidavit of Bianca D'Souza, Adjudicative Tribunals Clerk in the Tribunals Office (Exhibit 2). Ms. D'Souza confirmed that on September 15, 2020, she sent an email to the email address on record with CPA Ontario for Ms. Seguin, and to Ms. McNabb. In her September 15, 2020 email, Ms. D'Souza requested that Ms. Seguin and Ms. McNabb provide information required to set down the disciplinary hearing by September 30, 2020. This email was again forwarded to Ms. Seguin on September 25, 2020, inviting Ms. Seguin to contact the Tribunals Office should she have any questions in advance of the September 30, 2020 deadline.
- [10] On September 15, 2020, Ms. McNabb responded to Ms. D'Souza's email, responding from the same email address to which Ms. D'Souza had written. On September 30, 2020 Ms. Seguin provided responses by email to the questions set out in Ms. D'Souza's September 15, 2020 email, responding from the same email address to which Ms. D'Souza had

written. Ms. Seguin advised that she would not be attending the hearing. She provided some background information regarding her situation and indicated that she “agreed to all of the facts that were included in the media articles with the exception of some irrelevant details”. Ms. Seguin advised that she expected to be fined and have her license revoked. She requested that the Tribunal proceed with the hearing and advise her of the outcome.

[11] On October 9, 2020, Ms. D’Souza sent an email to both Ms. Seguin and Ms. McNabb advising that a hearing date had been set for November 17, 2020 at 9:30 a.m. via videoconference. On October 16, 2020, the Notice of Hearing was emailed to Ms. Seguin and Ms. McNabb by Ms. D’Souza.

[12] In reviewing the evidence presented by Counsel for the PCC, the Panel was satisfied that Ms. Seguin had been properly served with the Notice of Hearing and that she had received proper notice of the date, time and manner in which the hearing would proceed. The evidence of Ms. Seguin’s knowledge of the hearing and her intention not to participate in the hearing was clear, cogent and convincing.

III. ISSUES

[13] The Panel identified the following issues arising from the allegation:

- a) Did the evidence establish, on a balance of probabilities, the facts on which the particular alleged by the PCC was based?
- b) If the particular alleged by the PCC was established on the evidence presented on a balance of probabilities, did the particular constitute professional misconduct?

IV. DECISION

[14] The Panel found that the evidence established, on a balance of probabilities, the facts on which the allegation was based.

[15] The Panel was satisfied that the allegation alleged constituted a breach of Rule 201.1 of CPA Ontario’s *Code of Professional Conduct* in that Ms. Seguin failed to act in a manner which will maintain the good reputation of the profession and its ability to serve the public interest.

[16] The Panel went on to find that having breached this Rule, Ms. Seguin had committed professional misconduct.

V. REASONS FOR THE DECISION

Findings Regarding Conduct of Ms. Seguin

[17] On June 19, 2019, Ms. Seguin appeared before Madam Justice Agro of the Ontario Court of Justice, Hamilton where Ms. Seguin proceeded to enter a plea of guilty to charge alleging that on or between the 1st day of September, 2011 and the 30th day of December,

2016, at the City of Hamilton, Ms. Seguin did unlawfully by deceit, falsehood or other fraudulent means, defraud Lawrie Insurance Group of money of a value exceeding \$5,000 contrary to section 380(1)(a) of the *Criminal Code of Canada* (Exhibit 5, Tab 1).

[18] The facts relied upon by the Crown, as read into the record and as admitted by Ms. Seguin are as follows:

Ms. Seguin was hired by Dan Lawrie Insurance (Lawrie Insurance) in May of 2004 as a financial comptroller for Lawrie Insurance Group Limited. In 2012, Ms. Seguin was promoted to Chief Financial Officer (CFO). As CFO, Ms. Seguin was responsible for overseeing the control, preparation and maintenance of Lawrie Insurance's financial records, statements, and therefore had access to its online bank accounts, and VISA credit cards. She was authorized to make bank deposits to Lawrie Insurance bank accounts, however, she did not have signing authority on any account and did not have authorization to make withdrawals.

On about December 23, 2016, Dan Lawrie received a call from a commercial accounts manager with the Bank of Montreal. Mr. Lawrie was advised of the manager's concerns regarding cheques made payable to Dan Lawrie Insurance Brokers that had been negotiated by ATM and deposited into Ms. Seguin's personal account. Mr. Lawrie was further told that the bank had flagged the company's accounts due to Ms. Seguin's attendance in the bank branch on a regular basis with cheques payable to the company for significant amounts that she was negotiating for cash.

In March 2017, Ms. Seguin's conduct was reported to the police and an investigation ensued. The investigation revealed that Ms. Seguin cashed cheques on a regular basis that belonged to Lawrie Insurance. Production orders obtained by the police revealed that between September 2011 and December 2016, Ms. Seguin cashed cheques belonging to Lawrie Insurance totaling \$3,111,900 at the local branch and cheques belonging to Lawrie Insurance totaling \$182,380.28 were also deposited to her personal bank account. She also made payments from the Lawrie Insurance account totaling \$131,000 to her personal CIBC VISA credit card. All these transfers were for Ms. Seguin's personal benefit and had not been authorized by Lawrie Insurance. In total, Ms. Seguin defrauded and stole approximately \$3,425,280.28 from her employer.

Ms. Seguin was arrested on July 16, 2018 and was released from the police station. (Exhibit 3, Tab 2, pages 3 to 5)

[19] Ms. Seguin acknowledged that the facts alleged by the Crown were correct and she was subsequently convicted of the offence of Fraud Over \$5000.

[20] On September 26, 2019, after hearing the submissions of counsel, considering the case law and taking into consideration Ms. Seguin's abusive childhood, physical and mental health struggles, her addiction to opioids (an addiction supported by the misappropriation of funds from her employer), and her statement of apology, the Court sentenced Ms. Seguin to a term of four years in custody. She was required to pay a fine in the amount of \$3,425,280.28 with 20 years to pay calculated from the date of warrant expiry of her term of imprisonment. In default of payment, Ms. Seguin will serve a term of imprisonment

for 5 years, consecutive to any other term of imprisonment she may then be serving. The charge of Theft Over \$5,000 contrary to s.334 (a) of the *Criminal Code of Canada* was withdrawn at the request of the Crown.

Finding of Professional Misconduct

- [21] The onus was on the PCC to show on a balance of probabilities that Ms. Seguin's conduct breached s.201.1 of CPA of Ontario's Code of Professional Conduct, and that such conduct constituted professional misconduct.
- [22] The Panel found that the evidence adduced by the PCC as found in the certified copy of the Court Information and the transcripts of the court proceedings against Ms. Seguin which contained not only Ms. Seguin's plea of guilty to the criminal charge of Fraud Over \$5,000, including the facts she acknowledged and which supported the Court's finding of guilt, was clear, cogent and compelling evidence proving that Ms. Seguin had, on a balance of probabilities, engaged in the conduct alleged.
- [23] The Panel also took into considerations Ms. Seguin's own statement made in her September 30, 2020 email to Ms. D'Souza, in which she apologized for her actions and accepted full responsibility.
- [24] The Panel, as did the Court, noted that Ms. Seguin had held a unique position of trust with her employer and that she had breached that trust "in a most egregious manner". Ms. Seguin used her position as, CFO and previously as comptroller, for the company to perpetuate her fraud. Her fraudulent conduct went undetected for approximately 5 years and involved multiple transactions. The amount of the funds defrauded was significant. As was noted by the Court during the sentencing of Ms. Seguin: "the inherent trust that comes with the position of a CFO is an integral part of the business functioning of that corporation. I have no doubt this offence was highly disruptive to the victim on multiple levels". The Court also noted that Ms. Seguin's conduct ended only on discovery, despite her own awareness of the harm her conduct was causing. As was observed by the Court, there is no reasonable prospect of full financial recovery by her former employer.
- [25] Members of our profession depend on the good reputation of CPAs in general to allow them access to positions of trust. When one member breaches the trust bestowed upon them, all other members face a diminished level of trust, to the detriment of all.
- [26] For approximately 5 years, Ms. Seguin engaged in deliberate and repeated acts of dishonesty in the course of her duties at Lawrie Insurance, defrauding her employer of \$3,425,280.28. The Panel unanimously concluded that Ms. Seguin had acted in a manner that failed to maintain the good reputation of the profession, contrary to Rule 201.1 of CPA Ontario's *Code of Professional Conduct*, and as such, had engaged in professional misconduct.

VI. REASONS FOR SANCTIONS

- [27] Counsel for the PCC sought the following as an appropriate sanction in this matter: a written reprimand by the Chair; a fine of \$75,000 with one year to pay; revocation of

membership; full publicity disclosing Ms. Seguin's name to all members of CPA Ontario and all provincial bodies as well as the public; publication on the CPA Ontario website and in the *Hamilton Spectator*.

- [28] By way of aggravating factors in this matter, the Panel found that Ms. Seguin abused her trusted role within the company, thereby allowing her to perpetuate a significant fraud over a lengthy period of time without detection. The deception and dishonesty in which she engaged for approximately 5 years, flies directly in the face of the values extolled by this profession – honesty, integrity and trustworthiness.
- [29] During the 5 year period that she perpetuated her fraud, Ms. Seguin was referred to addiction counselling by her family physician. She chose not to engage in counseling as she feared that by doing so her employer may become aware of her circumstances. Her fear was no excuse for failing to follow her physician's advice.
- [30] In considering whether Ms. Seguin's addiction was a mitigating or aggravating factor on sentencing, Madam Justice Agro found that Ms. Seguin's addiction was a neutral factor to be considered. Counsel for the PCC urged the Panel to adopt the Court's view of this factor.
- [31] The Panel concluded that while Ms. Seguin's addiction did not excuse her conduct, it did provide context within which her misconduct should be considered. The Panel considered the genesis of Ms. Seguin's addiction – medically prescribed treatment for back pain, taking judicial notice of the opioid crisis that currently exists and the stigma surrounding addiction issues such as Ms. Seguin's. In the unique circumstances of this case, the Panel found that the cause of Ms. Seguin's addiction, coupled with her lack of disciplinary history and her repeated genuine expressions of remorse, including following her suicide attempt, to the police, to the civil and criminal courts, as well as to this Tribunal, amounted to mitigating circumstances. The Panel also noted that Ms. Seguin had overcome a significantly difficult early life, building a pro-social life including family, a career and steady employment until her addiction issues arose. The Panel imposed a fine in the amount of \$65,000, which, while still significant, took into consideration the mitigating factors described above.
- [32] The Panel concluded that the aggravating factors in this matter so outweighed the mitigating factors, that Ms. Seguin's membership in CPA Ontario must be revoked. The revocation of her membership in CPA Ontario sends a clear message to members of CPA Ontario and the public that such conduct will not be tolerated,
- [33] The Panel also ordered that a written reprimand by the Chair of the Panel be delivered, serving as a specific deterrent to Ms. Seguin and would highlight the seriousness of her misconduct.
- [34] With regard to the PCC's submission that a fine in the amount of \$75,000 was appropriate, the Panel did give greater weight to the mitigating circumstances it found in this matter, ordering instead a fine in the amount of \$65,000. Such a fine is still significant and serves as both specific and general deterrence. The fine sends a clear message to Ms. Seguin, the profession and the public that CPA Ontario will impose significant sanctions upon its

members who engage in such misconduct. The amount of the fine reflects the profession's denunciation of Ms. Seguin's conduct, while also taking into account that unlike some of the cases presented by the PCC where greed and self- advancement motivated the fraudulent conduct, in this case a tragic addiction arising from medically prescribed drugs fueled the misconduct. In light of the information before the Panel regarding Ms. Seguin's financial situation, including the civil judgment against her relating to the fraud, the Panel has extended the time to pay to two years from the date of its Order.

[35] The Panel ordered that in addition to publication of its finding in the normal course, that publicity of its findings should also include publication in the Hamilton Spectator, the local paper where Ms. Seguin lives and was employed. Given that Ms. Seguin's criminal charges had been followed by the media, publication of the findings of this Panel will demonstrate to the public that this profession regulates the conduct of its members and that there are serious consequences for those who engage in professional misconduct.

VII. COSTS

[36] Costs are imposed as an indemnity, not as an additional fine. The PCC presented a Costs Outline (Exhibit 5), requesting an Order for costs in the amount of \$2,600. The total costs incurred in this matter were \$4,019.67. As was noted by Counsel for the PCC, in light of the findings of the criminal court, there were no investigation costs. Ms. Seguin had been responsive and did not deny the allegations. The prosecution of this matter, while important, was not complex.

[37] The Panel ordered costs to be paid in the amount of \$2,600, to be paid within 24 months of the Panel's order.

DATED at Toronto this 18th day of December, 2020



Randal Adamkowski, CPA, CA
Discipline Committee – Deputy Chair

Members of the Tribunal

Ellen Bessner (Public Representative)
Timothy Galvin, CPA, CA, CMA, MBA
David Handley (Public Representative)
Andrea Mintz, CPA, CA, LPA, MBA

Independent Legal Counsel

Nadia Liva, Barrister & Solicitor