

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

DISCIPLINE COMMITTEE

IN THE MATTER OF: Allegations against **ROBERT J. DIMECH**, a suspended member of the Chartered Professional Accountants of Ontario, under **Rules 104.2 and 201.1** of the CPA Ontario Code of Professional Conduct.

BETWEEN:

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

-and-

Robert J. Dimech

APPEARANCES:

For the Professional Conduct Committee:	Julia McNabb, Counsel
For Robert J. Dimech:	Present and Self-represented
Heard:	March 18, 2025
Decision and Order effective:	March 18, 2025
Release of written reasons:	April 1, 2025

REASONS FOR THE DECISION AND ORDER MADE MARCH 18, 2025

I. OVERVIEW

[1] The Professional Conduct Committee (“PCC”) of the Chartered Professional Accountants of Ontario (“CPA Ontario”) has alleged that Robert J. Dimech (“Dimech”) failed to act in a manner which will maintain the good reputation of the profession and its ability to serve the public interest in that he was convicted of the criminal offence of fraud over \$5,000, and failed to reply promptly to communications from CPA Ontario staff and provided a forged medical note in response to those communications.

[2] This hearing was held to determine whether the Allegations were established, whether the conduct breached Rules 201.1 and 104.2 of the CPA Ontario Code of Professional Conduct

(the “Code”) and whether the conduct amounted to professional misconduct.

- [3] Dimech is 55 years old and prior to this hearing had been a Dimech of CPA Ontario since 2004.

II. THE COMPLAINT AND THE ALLEGATIONS

- [4] In December 2022, CPA Ontario received a complaint against Dimech, from his former employer, Company B, alleging that in his role as the Chief Financial Officer of Company B, Dimech misappropriated \$157,568.21 from Company B.
- [5] The complainant also reported Dimech’s conduct to the police. On August 17, 2023, Dimech was charged with one count of fraud over \$5,000 and one count of possession of proceeds of crime over \$5,000.
- [6] On March 8, 2024, Dimech pleaded guilty to one count of fraud over \$5,000, and the Crown withdrew the count of possession of proceeds of crime. Dimech was sentenced to a two year less one day conditional sentence to be followed by a two-year period of probation.
- [7] After receiving the complaint from Company B, CPA Ontario staff requested information from Dimech in relation to the complaint. Initially, Dimech did not cooperate with the request. Eventually, he replied to CPA Ontario’s requests for information. In his response, he stated he could not respond substantively as he was in a rehabilitation centre in Malta and not well enough to respond. Dimech attached to his letter correspondence purportedly written by a physician working out of the Mount Carmel Hospital in Malta. The letter set out a psychiatric diagnosis in support of Dimech’s claim that he was unable to respond to the investigation.
- [8] Just over one year later, during the course of a capacity investigation by CPA Ontario, Dimech admitted that the physician’s letter was forged. After receiving this information from Dimech, CPA Ontario staff contacted Mount Carmel Hospital where it was confirmed that the letter was not authentic and was not written by any of the staff at the Hospital.
- [9] On November 13, 2024, the PCC issued two Allegations against Dimech. The first Allegation relates to his criminal conviction and alleges a breach of Rule 201.1 of the Code. The second Allegation relates to a failure to respond promptly to communications from CPA Ontario staff and the provision of a forged medical note in response to those communications.
- [10] For the reasons set out below, the Panel found that Dimech engaged in professional misconduct as alleged and ordered revocation of his membership in CPA Ontario, a fine of

\$50,000, publication in the normal course and costs of \$3,300.

III. ISSUES

[11] The Panel identified the following issues arising from the Allegations:

- A. Did the evidence establish, on a balance of probabilities, the facts on which the Allegations by the PCC were based?
- B. If the facts alleged by the PCC were established on the evidence on a balance of probabilities, did the Allegations constitute professional misconduct?
- C. If the Panel determined that the Allegations constituted professional misconduct, what was the appropriate sanction?

IV. DECISION

[12] The Panel found that the evidence established, on a balance of probabilities, the facts set out in the Allegations of professional misconduct.

[13] The Panel was satisfied that the Allegations constituted a breach of Rules 201.1 and 104.2 of the Code, and having breached these Rules, Dimech had committed professional misconduct.

[14] The Panel further accepted the sanction proposed by the PCC. Dimech, for the most part, agreed to the sanctions, but requested a fine of less than \$50,000. In response to Dimech's evidence of strained financial circumstances, the Panel provided him with three years to pay the fine rather than the 18 months sought by counsel for the PCC.

V. REASONS FOR THE DECISION ON MISCONDUCT

Findings Regarding the Conduct of Dimech

[15] The parties filed an Agreed Statement of Facts ("ASF") which was made Exhibit 1. The parties provided supporting documentation for the ASF via a Document Brief, which was made Exhibit 2. The parties tendered no further evidence in the conduct portion of the hearing.

[16] At paragraphs 20 to 23 of the ASF, Dimech admitted to the truth of the facts and the authenticity of the documents contained in the Document Brief. Dimech further admitted that the facts contained in the ASF establish breaches of Rules 201.1 and 104.2 of the Code.

Background Facts

Allegation #1 – Conviction for Fraud Over \$5,000 – Rule 201.1 of the Code

- [17] As set out above, on March 8, 2024, Dimech pleaded guilty to and was convicted of one count of fraud over \$5,000. Dimech was sentenced that day to a conditional sentence of two years, less a day. A conditional sentence is a custodial sentence that the offender is permitted to serve in the community. In Dimech's case, he is subject to house arrest for the first 18 months of his sentence. The conditions of his house arrest permit him to leave his home to go to and from work, school, medical appointments, legal appointments, court or religious services, and provide him with a four-hour window once a week where he is permitted to run errands. The last six months of his conditional sentence are less restrictive in that he can leave his house but must abide by a curfew. When the conditional sentence is served, Dimech will be on probation for a further two years.
- [18] The facts underlying the conviction are as follows: On April 13, 2021, Dimech was hired to be Chief Financial Officer of Company B. During his employment he manipulated the payroll system to reimburse himself in circumstances where no expenses had occurred. He also manipulated the payroll system to avoid paying full income taxes on his legitimate income.
- [19] Between April 2021 and October 2022, Dimech paid himself \$157,568.21 in fraudulent reimbursements. In addition, he paid only \$10,275.08 on his legitimate income of \$185,354.
- [20] Dimech also manipulated the finances within Company B to make it appear that the company was in a better financial situation than it was. These actions impacted the financial decisions of the company.
- [21] When the owner of Company B, KS, questioned Dimech about the fraud in October 2022, Dimech initially admitted to his misconduct and attempted to entice KS to hide the activity by informing KS he had prepared a separate set of inaccurate financial statements for the company that would allow the company to obtain loans.
- [22] At the criminal trial, the Crown read in the victim impact statement of KS. KS stated that Company B was started by her father in 1970, shortly before she was born. KS took over the business in 2013 and then became the owner when her father passed away in 2016. Shortly after Dimech's misappropriation was discovered, Company B had to declare bankruptcy, and was ultimately sold at a loss to a different company.
- [23] The trial judge held that there was insufficient evidence to prove a direct link between Dimech's actions and the bankruptcy. Nonetheless, he accepted that Dimech's provision of forged business records to KS caused her to make decisions she would not otherwise have made, thereby establishing an indirect link between Dimech's actions and Company B's

bankruptcy.

- [24] KS stated that her family relationships were severely impacted due to the loss of potential and legacy that Company B promised. KS' mother had loaned Company B funds and Company B was slowly reimbursing KS' mother when Company B had to declare bankruptcy. KS said her relationship with her mother is strained and will be strained for the rest of their lives. KS' relationship with her husband has been similarly affected. KS stated that her identity and legacy have been "stolen."
- [25] KS lost her retirement savings and is barely hanging on to the assets in her possession, mainly her house and cottage. She further stated that Dimech's actions have caused her to feel less safe in the world and that she has lost her ability to trust people she does not know.
- [26] Dimech made full restitution of the \$157,568.21 he misappropriated from Company B. He has served 12 months of his conditional sentence, apparently without incident.

Allegation #2 – Failure to Respond promptly to communications from CPA Ontario staff and the Provision of a Forged Medical Note – Rule 104.2 of the Code

- [27] After CPA Ontario received the complaint letter from KS, CPA Ontario staff wrote to Dimech on three occasions, seeking his representations regarding KS' allegations.
- [28] CPA Ontario staff wrote to Dimech on January 4, 31 and February 10, 2023. Dimech did not respond.
- [29] On April 13, 2023, Dimech responded advising that he was unable to respond to the complaint filed against him due to illness. He added he was enrolled in a rehabilitation facility.
- [30] On April 19, 2023, counsel for the PCC wrote to Dimech seeking documentation regarding his medical condition.
- [31] On May 8, 2023, Dimech responded providing a medical letter purportedly from Dr. SX, an attending physician at the Mount Carmel Hospital in Malta. The Medical Letter stated that Dimech was currently remanded as a ward of the country of Malta and was under the care of the hospital until the end of November 2023 as a result of a Bipolar I disorder diagnosis. The medical letter further stated that upon completion of treatment it was Dr. X's opinion that Dimech would not be able to return to the profession as an Accountant.

[32] As a result of the letter purportedly from Dr. X, the Registrar commenced a capacity investigation. In the context of the capacity investigation, the Registrar wrote to Dimech on December 11, 2023 and requested that Dimech provide consent to CPA Ontario to contact his treating physician, and any other specialist familiar with his condition, directly to obtain medical information.

[33] On February 13, 2024, Dimech emailed the Registrar refusing to provide consent to release any medical records to CPA Ontario. He further stated the following:

This ridiculous claim should be closed, I no longer recognize the CPAO as a valid organization.

*I am resigning as a CPA, this designation, the governing body, and the whole of the organization has done **NOTHING** for me in my time of need.*

[34] In response to Dimech's refusal to consent to the release of information from his physicians to CPA Ontario, the Registrar appointed an external investigator to investigate Dimech's health and whether it affected his ability to meet his obligations to clients and to CPA Ontario. In her letter to Dimech on April 16, 2024, the Registrar explained that the investigator had the full powers of investigation afforded to her under s. 50 of the *Chartered Professional Accountants Act, 2017*, S.O. 2017, c. 8, Sched.3.

[35] Dimech responded on April 16, 2024, and confessed that he was not in Malta under medical supervision in 2023, and that he informed CPA Ontario of same, repeatedly asking CPA Ontario to "LEAVE ME ALONE". He also disparaged CPA Ontario as a "woke" organization, accused CPA Ontario of failing to support him in his time of need, and characterized the investigation as "ridiculous."

[36] On May 9, 2024, the investigator interviewed Dimech. During the phone call, Dimech advised the investigator that he had fabricated the letter ostensibly written by Dr. X and forged her signature. Dimech stated he believed the opinion he had authored and that he had been under a tremendous amount of financial and personal stress for the last several years. He informed the investigator that he had not been under the care of a medical professional but was currently looking for assistance free of charge.

[37] Subsequently, the investigator contacted the facility in Malta to inquire about the letter purportedly written by Dr. X. The facility confirmed that although Dr. X was the Chief Executive Officer of Mount Carmel Hospital, she was not Dimech's attending physician, the letter was not authored by Dr. X, and the signature on the letter was not hers.

Finding of Professional Misconduct

[38] Through the ASF, Dimech admitted that these facts constitute professional misconduct in relation to the Allegations before the Panel.

[39] The Panel had no difficulty finding that Dimech had engaged in professional misconduct as set out in the Allegations.

VI. DECISION AS TO SANCTION

[40] Counsel for the PCC presented a position on sanction seeking revocation, a \$50,000 fine payable within 18 months, publication in the normal course, and costs of \$3,300 also payable within 18 months.

[41] Dimech largely agreed with the PCC's position on sanction other than to seek a fine of a lesser amount. Dimech did not provide a specific number.

[42] The Panel decided to impose the sanction requested by counsel for the PCC. In consideration of Dimech's financially strained situation, the Panel suggested to both parties that Dimech be given three years to pay the fine, rather than 18 months. Both parties were in agreement with the three-year time frame.

VII. REASONS FOR THE DECISION AS TO SANCTION

The Sanction Portion of the Hearing

[43] The PCC provided a Bill of Costs as evidence on sanction. The Bill of Costs was made Exhibit 3. Dimech tendered two letters, dated January 24 and 31, 2025, made Exhibits 4 and 5 respectively.

[44] In her submissions on sanction, counsel for the PCC emphasized the following aggravating factors:

- [45] Dimech's position as a CPA was central to his ability to misappropriate funds from Company B;
- This was not a momentary lapse in judgment; rather, Dimech continued the fraud for one and a half years;
 - There were some 60 fraudulent transactions;
 - After the frauds were discovered, Dimech sought to further the fraud by trying to entice KS to obtain fraudulent loans; and
 - The impact on KS, as described previously in these reasons was devastating.

[46] Dimech's failure to respond promptly to communications from CPA Ontario staff and his production of the fabricated medical note resulted in the lengthy delay of these proceedings as well as an unnecessary utilization of resources regarding the capacity investigation that was opened as a result of the forged medical document.

[47] Counsel for the PCC also highlighted the following mitigating factors:

- Dimech has no discipline history or prior complaints;
- Dimech had made full restitution to Company B; and
- After the Allegations were served, Dimech fully engaged with CPA Ontario, and made an early admission to the Allegations.

[48] In his letter dated January 24, 2025, Dimech expressed deep remorse for his actions. He also apologized for what he considered to be the "harshness and ill-considered tone that marred" many of his correspondences to CPA Ontario.

[49] In his letter dated January 31, 2025, Dimech sought a reprieve from any fine sought to be imposed in this matter. Dimech cited the fact that he made full restitution to KS, he has taken full responsibility for his actions and due to the convictions, his earning capacity has been diminished to such an extent that he would be unable to pay a fine.

[50] Dimech did not file any financial records such as tax returns, or a statement of assets and liabilities which would provide specific evidence of impecuniosity or financial hardship. He did include an excerpt of a Transunion credit report as of January 11, 2025 in his letter dated January 24, 2025.

[51] Dimech testified on sanction. He relied on his two letters and asked the Panel to impose a fine less than the \$50,000 proposed. He explained that he is in debt to the Canada Revenue Agency, he pays child support to the mother of his children from whom he is separated, and his employment opportunities are limited given the serious offence of which he was convicted.

Analysis

[52] The Panel had no trouble determining that revocation was the appropriate penalty in this matter. In cases involving a criminal conviction for fraud or misappropriation of client funds, the principles of denunciation, general deterrence and maintaining public confidence in CPA Ontario's ability to regulate the profession require nothing less than revocation absent

exceptional circumstances.¹ There are no exceptional circumstances present in this case.

[53] While restitution is a mitigating factor, it does not amount to exceptional circumstances. As the Panel in *Chartered Professional Accountants of Ontario v. Anis* observed, "... the return of ill-gotten gains is the minimum that can be expected of a regulated professional."

[54] The proposed fine of \$50,000 is in line with fines imposed in similar cases. While the Panel does not doubt that Dimech finds himself in very difficult financial circumstances, the Panel agrees with counsel for the PCC that a substantial fine is necessary to satisfy the goals of general deterrence and public confidence in CPA Ontario's ability to govern the profession in the public interest. The Panel would have imposed a \$50,000 fine even without the failure to cooperate and forgery of a medical letter.

[55] Nevertheless, Dimech's failure to cooperate and his deceit bolster the PCC's request for a \$50,000 fine. Dimech's forging of the medical letter caused the Registrar to commence a capacity investigation. It appears that CPA Ontario's investigation into the misappropriation was put on hold for a full year while CPA Ontario considered how to address Dimech's medical evidence. Dimech appeared to make incremental disclosure with respect to his forgery of the medical letter. At first, he refused to consent to CPA Ontario contacting Dr. X. Subsequently, when the Registrar went to the cost and the trouble of appointing an external investigator, Dimech wrote and disclosed that he was never in Malta under medical supervision. He did not come right out and say he forged the letter. Only when the investigator spoke with him on the phone, did he fully disclose his deceit.

[56] As a result of Dimech's actions above, the scarce and member funded resources of CPA Ontario were wasted to investigate a capacity matter that was a complete fabrication. None of these costs were recouped in the costs order requested of the Panel. It is appropriate to express condemnation of this behaviour, in part, through a fine.

[57] In consideration of the financial position Dimech finds himself in at the present time, the Panel asked the parties for submissions on extending the time to pay the \$50,000 fine from 18 months to three years. Both parties agreed to the extension of time within which to pay the fine. Considering the position of the parties, the Panel ordered the fine to be payable within three years of the date of the Order.

¹ *Chartered Professional Accountants of Ontario v Khosla*, [2024 ONCPA 1](#) (CanLII), ¶ 39 and *Chartered Professional Accountants of Ontario v Anis*, [2024 ONCPA 8](#) (CanLII), ¶ 42

VIII. COSTS

- [58] The law is settled that an order against a member for costs with respect to the disciplinary proceeding is not a penalty. Costs are intended to indemnify the PCC, based on the underlying principle that the profession, as a whole, should not bear all of the costs of the investigation, prosecution and hearing arising from the member's misconduct.
- [59] Costs are awarded at the discretion of the Discipline Committee. It has become customary for the PCC to file a Bill of Costs in the same form as used in civil proceedings, and to seek 2/3 of the costs incurred in the investigation and prosecution of the matter.
- [60] In this matter, the PCC filed a Bill of Costs (Exhibit 3). The costs of the investigation were not included in the Bill of Costs. Legal fees and disbursements amounted to \$5,004.95. The parties agreed on costs in the amount of \$3,300. This is an ordinary costs award which the Panel is prepared to order.
- [61] The Panel orders Dimech to pay costs of \$3,300 to CPA Ontario on or before September 18, 2026.

DATED this 1st day of April, 2025



Jim Huang, CPA, CGA
Discipline Committee – Deputy Chair

Members of the Panel

Barbara Ramsay, Public Representative
Jaspreet Singh, CPA, LPA

Independent Legal Counsel

Lisa Freeman, Barrister & Solicitor