

Liane Adams: Summary, as Published in *CheckMark*

Liane Adams, of Niagara Falls, was found guilty of four charges under Rule 104 of failing to reply to letters signed by either the director or an associate director of standards enforcement concerning complaints made by clients. Ms. Adams, who did not attend the hearing, had been found guilty in 1995 of failing to cooperate in a practice inspection. The discipline committee concluded that Ms. Adams was either unwilling or unable to be governed by the Institute. Ms. Adams was fined \$5,000 and expelled from the Institute.

CHARGE(S) LAID re Liane Adams, CA

The Professional Conduct Committee hereby makes the following charges against Liane Adams, CA, a member of the Institute:

1. THAT the said Liane Adams, in or about the period August 24, 2000 to October 3, 2000, failed to promptly reply in writing to a letter from the Institute in respect of a matter of professional conduct signed by the director of standards enforcement and dated and sent August 24, 2000 in which a written reply to the complaint made by Mr. and Mrs. Agi Mete was specifically required, contrary to Rule 104 of the rules of professional conduct.
2. THAT the said Liane Adams, in or about the period August 24, 2000 to October 3, 2000, failed to promptly reply in writing to a letter from the Institute in respect of a matter of professional conduct signed by the associate director of standards enforcement and dated and sent August 24, 2000 in which a written reply to the complaint made by Mr. Robert Mewha was specifically required, contrary to Rule 104 of the rules of professional conduct.
3. THAT the said Liane Adams, in or about the period August 24, 2000 to October 3, 2000, failed to promptly reply in writing to a letter from the Institute in respect of a matter of professional conduct signed by the associate director of standards enforcement and dated and sent August 24, 2000 in which a written reply to the complaint made by Ms. Judy Nicholls was specifically required, contrary to Rule 104 of the rules of professional conduct.

Dated at Toronto this 3rd day of October, 2000.

RICHARD A. JOHNSTON, FCA
DEPUTY CHAIR, PROFESSIONAL CONDUCT COMMITTEE

Second Set of Charges re: Liane Adams, CA

The Professional Conduct Committee hereby makes the following charges against Liane Adams, CA, a member of the Institute:

1. THAT the said Liane Adams, in or about the period December 21, 2000 to January 12, 2001, failed to promptly reply in writing to a letter from the Institute in respect of a matter of professional conduct signed by the associate director of standards enforcement and dated and sent December 21, 2000 in which a written reply to the complaint made by Mr. Norman White was specifically required, contrary to Rule 104 of the rules of professional conduct.

Dated at Toronto this 12th day of January, 2001.

RICHARD A. JOHNSTON, FCA
DEPUTY CHAIR, PROFESSIONAL CONDUCT COMMITTEE

DISCIPLINE COMMITTEE re Liane Adams, CA

DECISION AND ORDER IN THE MATTER OF: The Charges against **LIANE ADAMS, CA** a member of the Institute, under **Rule 104** of the Rules of Professional Conduct, as amended.

DECISION AND ORDER MADE FEBRUARY 28, 2001

DECISION

THAT, having seen and considered the evidence, and having determined to proceed with the hearing in the absence of Ms. Adams pursuant to Institute Bylaw 560, being satisfied that she had proper notice of the hearing, and having entered on her behalf a plea of not guilty to charges Nos. 1, 2 and 3 dated October 3, 2000, and charge No. 1 dated January 12, 2001, the Discipline Committee finds Liane Adams guilty of charges Nos. 1, 2 and 3 dated October 3, 2000, and charge No. 1 dated January 12, 2001.

ORDER

IT IS ORDERED in respect of the charges:

1. THAT Ms. Adams be reprimanded in writing by the chair of the hearing.
2. THAT Ms. Adams be and she is hereby fined the sum of \$5,000, to be remitted to the Institute within thirty (30) days from the date this Decision and Order becomes final under the bylaws.
3. THAT Ms. Adams be and she is hereby expelled from membership in the Institute.
4. THAT notice of this Decision and Order, disclosing Ms. Adams's name, be given after this Decision and Order becomes final under the bylaws:
 - (a) to the Public Accountants Council for the Province of Ontario;
 - (b) to the Canadian Institute of Chartered Accountants;
 - (c) by publication in *CheckMark*; and
 - (d) by publication in *The Globe and Mail* and the *Niagara Falls Review*.
5. THAT Ms. Adams surrender her certificate of membership in the Institute to the discipline committee secretary within ten (10) days from the date this Decision and Order becomes final under the bylaws.

DATED AT TORONTO THIS 2ND DAY OF MARCH, 2001
BY ORDER OF THE DISCIPLINE COMMITTEE

BRYAN W. STEPHENSON, BA, LLB
SECRETARY - DISCIPLINE COMMITTEE

DISCIPLINE COMMITTEE re Liane Adams, CA

REASONS FOR THE DECISION AND ORDER IN THE MATTER OF: Charges against **LIANE ADAMS, CA**, a member of the Institute, under **Rule 104** of the Rules of Professional Conduct, as amended.

REASONS FOR THE DECISION AND ORDER MADE FEBRUARY 28, 2001

1. This panel of the discipline committee of the Institute of Chartered Accountants of Ontario met on February 28, 2001 to hear charges brought by the professional conduct committee against Liane Adams, a member of the Institute.
2. The hearing concluded on February 28 and the order was read into the record at the conclusion of the hearing. The decision and order, dated March 2, 2001, was sent to Ms. Adams that day. These reasons, delivered in writing pursuant to Bylaw 574, include the charges and the decision and order.
3. The professional conduct committee was represented by Ms. Christine O'Donohue. Ms. Adams was not present. The secretary of the discipline committee checked the public areas of the Institute building adjacent to the Council Chamber before the hearing was called to order at approximately 10:30 a.m., and reported that Ms. Adams was not present. Counsel to the discipline committee reviewed the documents which had been filed at the assignment hearings in this matter, which Ms. Adams did not attend, and set out on the record a history of the proceedings.

DECISION TO PROCEED UNDER BYLAW 560

4. On January 10, 2001, the chair of the assignment hearing set February 28, 2001 for the hearing of the three charges made against Ms. Adams on October 3, 2000. At the assignment hearing of February 14, 2001, it was ordered that the charge made against Ms. Adams on January 12, 2001 also be heard on February 28.
5. The notice of this hearing was served on Ms. Adams by mail on January 15, 2001, as evidenced by the affidavit of service of Diane Williamson sworn on February 28.
6. The panel deliberated to determine whether or not to proceed pursuant to Bylaw 560 in the absence of Ms. Adams. We concluded that pursuant to Bylaw 108, Ms. Adams had been properly served with the charges and the notice of this hearing. We also concluded that there was a public interest in proceeding, as the letters from the standards enforcement area of the Institute to which Ms. Adams had allegedly failed to respond were in respect of complaints from members of the public. Accordingly, we decided to proceed with the hearing.

APPLICATION TO AMEND THE CHARGES

7. When we advised counsel for the professional conduct committee of our decision, she made an application to amend the charges by adding a fifth charge dated February 6, 2001. This charge, together with the notice of application to amend the charges to

include it, were personally served on Ms. Adams on February 17, 2001, according to the affidavit of service of private investigator Edward Kaj sworn on that date.

8. The panel refused to accept the application to amend the charges. We recognized that Ms. Adams had been personally served with the February 6 charge and the application to amend, and it was difficult to understand why she was not present to deal with this and the other charges. We concluded however that this was not an amendment to a charge but rather a new charge, of which Ms. Adams had not been given the requisite notice, and accordingly we were not prepared to proceed to hear this charge with the others, of which she had been given proper notice.

DECISION ON THE CHARGES

9. The charges against Ms. Adams dated October 3, 2000 read as follows:
 1. THAT the said Liane Adams, in or about the period August 24, 2000 to October 3, 2000, failed to promptly reply in writing to a letter from the Institute in respect of a matter of professional conduct signed by the director of standards enforcement and dated and sent August 24, 2000 in which a written reply to the complaint made by Mr. and Mrs. Agi Mete was specifically required, contrary to Rule 104 of the rules of professional conduct.
 2. THAT the said Liane Adams, in or about the period August 24, 2000 to October 3, 2000, failed to promptly reply in writing to a letter from the Institute in respect of a matter of professional conduct signed by the associate director of standards enforcement and dated and sent August 24, 2000 in which a written reply to the complaint made by Mr. Robert Mewha was specifically required, contrary to Rule 104 of the rules of professional conduct.
 3. THAT the said Liane Adams, in or about the period August 24, 2000 to October 3, 2000, failed to promptly reply in writing to a letter from the Institute in respect of a matter of professional conduct signed by the associate director of standards enforcement and dated and sent August 24, 2000 in which a written reply to the complaint made by Ms. Judy Nicholls was specifically required, contrary to Rule 104 of the rules of professional conduct.
10. The charge against Ms. Adams dated January 12, 2001 reads as follows:
 1. THAT the said Liane Adams, in or about the period December 21, 2000 to January 12, 2001, failed to promptly reply in writing to a letter from the Institute in respect of a matter of professional conduct signed by the associate director of standards enforcement and dated and sent December 21, 2000 in which a written reply to the complaint made by Mr. Norman White was specifically required, contrary to Rule 104 of the rules of professional conduct.
11. A plea of not guilty was entered to all four charges on behalf of the absent member.
12. With respect to the charges dated October 3, 2000, Ms. O'Donohue filed an affidavit of Joanna Maund sworn on December 18, 2000, and an affidavit of Elizabeth Noonan sworn on December 15, 2000, together with a document brief containing the documents referred to in the two affidavits.

13. With respect to the charge dated January 12, 2001, Ms. O'Donohue filed an affidavit of Elizabeth Noonan sworn on February 20, 2001, together with a document brief containing the documents referred to in the affidavit.
14. Counsel for the professional conduct committee indicated that there was no other evidence, and made submissions with respect to the appropriate findings on the charges based on the affidavits and document briefs filed.
15. It was apparent upon reviewing the evidence that the charges had been proven. The merits or substance of the complaints made against Ms. Adams were not the subject of this hearing, and were relevant only to show that five members of the public, all former clients of Ms. Adams, had complained to the Institute, asserting that they had been unable to communicate with Ms. Adams or get relevant records from her. There is a clear obligation on any member to respond promptly to the Institute about such complaints. Ms. Adams' failure to do so amounts to professional misconduct, and accordingly she was found guilty of the charges.
16. When we had finished our deliberations, the hearing resumed and the following decision was read into the record of the proceedings:

DECISION

THAT, having seen and considered the evidence, and having determined to proceed with the hearing in the absence of Ms. Adams pursuant to Institute Bylaw 560, being satisfied that she had proper notice of the hearing, and having entered on her behalf a plea of not guilty to charges Nos. 1, 2 and 3 dated October 3, 2000, and charge No. 1 dated January 12, 2001, the Discipline Committee finds Liane Adams guilty of charges Nos. 1, 2 and 3 dated October 3, 2000, and charge No. 1 dated January 12, 2001.

ORDER AS TO SANCTION

17. Counsel for the professional conduct committee did not call further evidence with respect to sanction, but she did file a copy of the decision and order of the discipline committee made on February 17, 1995, wherein Ms. Adams was found guilty of failing to cooperate under Rule 203.2 of the rules of professional conduct.
18. Counsel for the professional conduct committee asked that Ms. Adams be reprimanded, fined an amount of \$5,000, and ordered to cooperate within seven days of the decision and order becoming final or else be expelled. Counsel also asked for full publicity, including notice to the Public Accountants Council and the Canadian Institute of Chartered Accountants, and publication in *CheckMark*.
19. Ms. O'Donohue said she was not asking for Ms. Adams' outright expulsion because the member had not been given notice that this sanction would be sought. It was only in respect of the charge made on February 6, 2001, which the panel declined to hear, that Ms. Adams was given notice that if there was a conviction the professional conduct committee would seek an order of expulsion. While the panel understood why Ms. O'Donohue did not seek expulsion, nevertheless it was apparent that one issue we had to decide was whether or not Ms. Adams should be expelled outright, or given further time to respond, failing which she would then be expelled.
20. The panel considered making an order imposing a fine and a suspension on Ms. Adams provided she respond to the standards enforcement letters before the decision and order

becomes final, and expelling her only if she fails to respond. We ultimately determined however that the appropriate order in this case was outright expulsion without a further opportunity to respond.

21. Ms. Adams was convicted of failure to cooperate in a practice inspection in 1995. She has now failed to respond to the Institute with respect to complaints made by five former clients. She is unwilling or unable to respond as a chartered accountant must in such circumstances, and we concluded that she is either unwilling or unable to be governed by the Institute.
22. When imposing a sanction, the discipline committee considers three general principles, namely general deterrence, specific deterrence and rehabilitation. In this case it appears that Ms. Adams has no desire or ability to be rehabilitated, and that there is no order which will specifically deter her from similar inappropriate conduct in the future.
23. The principle which is of the greatest importance in this case therefore is general deterrence. Members must know that if they are unwilling or unable to be governed, to respond to the Institute in respect of complaints made against them, they will be expelled.
24. We are not unsympathetic to Ms. Adams, as it appears she is unable to respond rather than unwilling to do so. The letters of complaint from her clients make it clear that at one time she was held in high regard by them. Nevertheless, whatever the unfortunate circumstances were that led to her inability or unwillingness to practise as appropriate and required, we concluded that she should not be permitted to continue as a chartered accountant.
25. The order made against Ms. Adams reads as follows:

ORDER

IT IS ORDERED in respect of the charges:

1. THAT Ms. Adams be reprimanded in writing by the chair of the hearing.
2. THAT Ms. Adams be and she is hereby fined the sum of \$5,000, to be remitted to the Institute within thirty (30) days from the date this Decision and Order becomes final under the bylaws.
3. THAT Ms. Adams be and she is hereby expelled from membership in the Institute.
4. THAT notice of this Decision and Order, disclosing Ms. Adams' name, be given after this Decision and Order becomes final under the bylaws:
 - (a) to the Public Accountants Council for the Province of Ontario;
 - (b) to the Canadian Institute of Chartered Accountants;
 - (c) by publication in *CheckMark*; and
 - (d) by publication in *The Globe and Mail* and the *Niagara Falls Review*.
5. THAT Ms. Adams surrender her certificate of membership in the Institute to the discipline committee secretary within ten (10) days from the date this Decision and Order becomes final under the bylaws.

DATED AT TORONTO THIS 10TH DAY OF APRIL, 2001
BY ORDER OF THE DISCIPLINE COMMITTEE

L. P. BOOKMAN, CA - DEPUTY CHAIR
THE DISCIPLINE COMMITTEE

MEMBERS OF THE PANEL:

R.I. COWAN, CA
P.M. CLEVELAND, FCA
J.M. MULHALL, CA
D.O. STIER, CA
G. BECK (Public representative)