

Discipline Notice

On December 12, 2016, a panel of the Discipline Committee (the “Panel”) of the Chartered Professional Accountants of Manitoba (“CPA Manitoba”) held a hearing into the charges against Mr. Maximilian Panzo, a suspended member of CPA Manitoba (the “Member”).

The Member did not appear before the Panel in person nor was he represented by counsel, although he had been properly served with notice of the hearing and the Charges of Professional Misconduct.

The Panel heard evidence that between October 2010 to May 2015, the Member engaged in the fraudulent, wrongful and deliberate misappropriation of a large sum of money from his then employer (the “Complainant”). Specifically, the Member manipulated the Complainant’s payroll by:

- adjusting his own bi-weekly salary payments;
- adding to his wages additional unauthorized payments over and above his salary;
- issuing to himself unauthorized advances; and
- increasing federal tax deductions paid to the Receiver General which were then credited to his account, resulting in an unauthorized expense to the Complainant instead of a deduction from his wages.

The Panel found the Member guilty of professional misconduct and that he had breached the following Rules of the Code of Professional Conduct:

- Rule 201.1 - The Member acted in a manner which did not maintain the good reputation of the profession and the ability to serve the public interest;
- Rule 202.1 - The Member failed to act with honesty, truthfulness, integrity and due care in performing his professional services;
- Rule 205 - The Member made false and misleading representations in respect of his unauthorized manipulations of the payroll system;
- Rule 207 - The Member received unauthorized remuneration and benefits for his personal advantage without the consent of the Complainant;
- Rule 213 - The Member engaged in activity which he knew, or ought to have known, was unlawful.

The Panel found that the only sanction that could adequately protect the public was cancellation of the Member’s registration. Among other things, the Panel cited the severity and multiple instances of the misconduct, the breach of trust which occurred and that cancellation was required in order to maintain the public’s confidence in the integrity of CPA Manitoba to properly regulate the conduct of its members.

In addition to cancellation, the Panel ordered costs in the amount of \$10,000 and that notice of the decision be published in accordance with 84(1) of *The Chartered Professional Accountants Act*.

Inquiries regarding this matter or the compliant process can be obtained from:

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