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Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions

In the Matter of KPMG LLP (Canada),

Respondent.

PCAOB Release No. 105-2025-009

March 11, 2025

By this Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions (“Order”), the Public Company Accounting Oversight Board (“Board” or “PCAOB”) is:

- (1) censuring KPMG LLP (“KPMG Canada,” the “Firm,” or “Respondent”);
- (2) imposing a civil money penalty in the amount of \$700,000 upon the Firm; and
- (3) requiring the Firm to undertake certain remedial actions as described in Section IV of this Order.

The Board is imposing these sanctions on the basis of its findings that, between 2020 and 2023, the Firm: (a) failed to make certain required communications to the relevant audit committee or audit committee equivalent in three issuer audits, in violation of AS 1301.10d, *Communications with Audit Committees*; (b) filed 38 inaccurate Form APs in connection with its audits of 33 different issuer clients, in violation of PCAOB Rule 3211(a), *Auditor Reporting of Certain Audit Participants*; and (c) violated PCAOB quality control standards.

I.

The Board deems it necessary and appropriate, for the protection of investors and to further the public interest in the preparation of informative, accurate, and independent audit reports, that disciplinary proceedings be, and hereby are, instituted pursuant to Section 105(c) of the Sarbanes-Oxley Act of 2002, as amended (the “Act”), and PCAOB Rule 5200(a)(1) against Respondent.

II.

In anticipation of the institution of these proceedings, and pursuant to PCAOB Rule 5205, KPMG Canada has submitted an Offer of Settlement (“Offer”) that the Board has

determined to accept. Solely for purposes of these proceedings and any other proceedings brought by or on behalf of the Board, or to which the Board is a party, and without admitting or denying the findings herein, except as to the Board's jurisdiction over Respondent and the subject matter of these proceedings, which is admitted, Respondent consents to the entry of this Order as set forth below.¹

III.

On the basis of Respondent's Offer, the Board finds that:

A. Respondent

1. **KPMG LLP** is a public accounting firm headquartered in Toronto, Ontario, Canada. It is a member firm of the KPMG International Limited network of firms ("KPMG International"). At all relevant times, KPMG Canada was registered with the Board pursuant to Section 102 of the Act and PCAOB rules. During the period covered by this Order, the Firm annually served as the principal auditor for between 70 and 85 issuer clients.

B. Other Relevant Entities

2. **B S R & Co. LLP** ("B S R & Co.") is a public accounting firm headquartered in Mumbai, India.

3. **KPMG Assurance and Consulting Services LLP** ("KPMG India") is a public accounting firm headquartered in Mumbai, India.

4. **KPMG Audyt Sp. z o.o.** ("KPMG Audyt ZOO") is a public accounting firm headquartered in Warsaw, Poland.

5. **KPMG LLP** ("KPMG US") is a public accounting firm headquartered in New York, New York.

6. **KPMG** ("KPMG New Zealand") is a public accounting firm headquartered in Auckland, New Zealand.

7. **PricewaterhouseCoopers LLP** ("PwC US") is a public accounting firm headquartered in New York, New York.

8. At all relevant times, B S R & Co., KPMG India, KPMG Audyt ZOO, KPMG US, and KPMG New Zealand were member firms of KPMG International, were registered with the Board

¹ The findings herein are made pursuant to Respondent's Offer and are not binding on any other person or entity in this or any other proceeding.

pursuant to Section 102 of the Act and PCAOB rules and participated in one or more of KPMG Canada's issuer audits. At all relevant times, PwC US was registered with the Board pursuant to Section 102 of the Act and PCAOB rules and participated in one of KPMG Canada's issuer audits.

9. **B S R & Associates LLP** ("B S R & Associates") is a public accounting firm headquartered in Mumbai, India.

10. **KPMG Advisory Services** ("KPMG Nigeria") is a public accounting firm headquartered in Lagos, Nigeria.

11. **KPMG Audyt spółka z ograniczoną odpowiedzialnością sp.k.** ("KPMG Audyt SPK") is a public accounting firm headquartered in Warsaw, Poland.

12. **KPMG** ("KPMG Barbados") is a public accounting firm headquartered in Hastings, Barbados.

13. **KPMG** ("KPMG Ghana") is a public accounting firm headquartered in Accra, Ghana.

14. **Mazars Central Inc.** ("Mazars") is a public accounting firm headquartered in Bloemfontein, South Africa.

15. At all relevant times, B S R & Associates, KPMG Nigeria, KPMG Audyt SPK, KPMG Barbados, and KPMG Ghana were member firms of KPMG International and participated in one or more of KPMG Canada's issuer audits, but were not registered with the Board. Mazars participated in one KPMG Canada issuer audit and, at all relevant times, was not registered with the Board.

16. **KPMG Global Delivery Center Private Limited** ("GDC") is a "shared service center"² located in Bengaluru, India, that utilized personnel from B S R & Co. and KPMG India.

C. Summary

17. This matter concerns KPMG Canada's repeated violations of PCAOB rules and standards in connection with its failure to disclose, or accurately disclose, the participation of other accounting firms in issuer audits. Specifically, KPMG Canada failed to make certain required communications to the relevant audit committee or audit committee equivalent in three issuer audits, in violation of AS 1301.10d. In addition, KPMG Canada filed 38 inaccurate

² KPMG Canada used the term "shared service center" to describe an entity that centralizes the performance of procedures requested to support an engagement.

Form APs from 2020 through 2023 in connection with its audits of 33 different issuers,³ in violation of PCAOB Rule 3211(a).

18. Finally, between 2020 and 2023, KPMG Canada violated PCAOB quality control standards related to engagement performance by failing to establish appropriate policies and procedures, including monitoring procedures, to provide reasonable assurance that the Firm's audit professionals would accurately identify in required Form AP filings the accounting firms that participated in KPMG Canada audits and their percentage of participation.

D. KPMG Canada Failed to Make Required Audit Committee Communications in Violation of AS 1301.10d

19. Pursuant to PCAOB auditing standards, an auditor should communicate with a company's audit committee regarding certain matters related to the conduct of an audit and obtain certain information from the audit committee relevant to the audit.⁴ The auditor should communicate to the audit committee an overview of the overall audit strategy, including the timing of the audit, and discuss with the audit committee the significant risks identified during the auditor's risk assessment.⁵

20. PCAOB standards specify that each auditor, as part of communicating the overall audit strategy, should communicate with the audit committee the names, locations, and planned responsibilities of other independent public accounting firms⁶ or other persons, who

³ Each of the issuers referenced in this Order was, at all relevant times, an "issuer" as that term is defined in Section 2(a)(7) of the Act and PCAOB Rule 1001(i)(iii).

⁴ AS 1301.01. For purposes of AS 1301, "audit committee" is defined as "[a] committee (or equivalent body) established by and among the board of directors of a company for the purpose of overseeing the accounting and financial reporting processes of the company and audits of the financial statements of the company; if no such committee exists with respect to the company, the entire board of directors of the company." AS 1301.A2.

⁵ *Id.* at .09. In the adopting release for Auditing Standard No. 16 (now known as AS 1301), the Board indicated that "[c]ommunications between the auditor and the audit committee allow the audit committee to be well-informed about accounting and disclosure matters, including the auditor's evaluation of matters that are significant to the financial statements, and to be better able to carry out its oversight role." See Auditing Standard No. 16 – *Communications With Audit Committees; Related Amendments to PCAOB Standards; and Transitional Amendments to AU Sec. 380*, PCAOB Rel. No. 2012-004, at 2 (Aug. 15, 2012) ("AS 1301 Adopting Release").

⁶ The term "other independent public accounting firms" in the context of communications with audit committees pursuant to AS 1301 includes "firms that perform audit procedures in the current period audit regardless of whether they otherwise have any relationship with the auditor." AS 1301.10d, Note.

were not employed by the auditor, that performed audit procedures in the current period audit.⁷

21. In connection with KPMG Canada's audits of Mogo Inc.'s 2019 financial statements (the "2019 Mogo Audit"), KPMG Canada used B S R & Associates to perform certain audit procedures as an other independent public accounting firm. In connection with KPMG Canada's audit of PyroGenesis Canada Inc.'s 2020 financial statements (the "2020 PyroGenesis Audit"), KPMG Canada used B S R & Co. to perform certain audit procedures as an other independent public accounting firm. In connection with KPMG Canada's audit of IAMGOLD Corporation's 2019 financial statements (the "2019 IAMGOLD Audit"), KPMG Canada used Mazars to perform certain audit procedures as an other independent public accounting firm. With respect to the 2019 Mogo Audit, KPMG Canada failed to communicate B S R & Associates' name, location, and planned responsibilities to the relevant issuer's audit committee or audit committee equivalent. With respect to the 2020 PyroGenesis Audit, KPMG Canada failed to communicate B S R & Co.'s name, location, and planned responsibilities to the relevant issuer's audit committee or audit committee equivalent. With respect to the 2019 IAMGOLD Audit, KPMG Canada failed to communicate Mazars' name, location, and planned responsibilities to IAMGOLD Corporation's audit committee.

22. Accordingly, KPMG Canada violated AS 1301.10d in connection with the 2019 Mogo Audit, the 2020 PyroGenesis Audit, and the 2019 IAMGOLD Audit.

E. KPMG Canada Filed 38 Inaccurate Form APs in Violation of PCAOB Rule 3211(a)

23. PCAOB Rule 3211 provides that each registered public accounting firm must provide information about engagement partners and other accounting firms that participate in audits of issuers by filing a Form AP, *Auditor Reporting of Certain Audit Participants*, for each audit report issued by the firm for an issuer.⁸

⁷ AS 1301.10d. In the AS 1301 Adopting Release, the Board explained the rationale for identifying other independent public accounting firms for the audit committee as follows: "The audit committee should be aware of all the participants in the audit. This communication regarding other participants in the audit would enable the audit committee to inquire or otherwise determine, for example, whether the other participants are registered with the Board and are subject to PCAOB inspections and whether they have disciplinary history with the Board or other regulators." AS 1301 Adopting Release at Appendix 4, p. A4-15.

⁸ Form APs must be filed by the 35th day after the date the audit report is first included in a document filed with the U.S. Securities and Exchange Commission, see PCAOB Rule 3211(b)(1), subject to a shorter filing deadline that applies when the audit report is first included in a registration statement filed under the Securities Act of 1933, as amended, see PCAOB Rule 3211(b)(2).

24. PCAOB Rule 3211(a) provides that, “[f]or each audit report it issues for an issuer, a registered public accounting firm must file with the Board a report on Form AP in accordance with the instructions to that form.”

25. The instructions to Item 4.1 of Form AP “Part IV - Responsibility for the *Audit Is Not Divided*” require that an auditor who uses an “other accounting firm”⁹ that incurs more than 5% of the total audit hours “[s]tate the legal name of *other accounting firms* and the extent of participation in the *audit*” in its Form AP.¹⁰

26. The instructions to Item 4.2 of Form AP “Part IV – Responsibility for the *Audit Is Not Divided*” require that an auditor “[s]tate the number of *other accounting firm(s)* individually representing less than 5% of total audit hours” and “[i]ndicate the aggregate percentage of participation” by those other accounting firms.¹¹

27. Form AP Item 3.2 notes that an other accounting firm participated in the audit if “the Firm assume[d] responsibility for the work and report of the *other accounting firm* as described in . . . AS 1205, *Part of the Audit Performed by Other Independent Auditors*,” or “the *other accounting firm* or any of its principals or professional employees was subject to supervision under AS 1201, *Supervision of the Audit Engagement*.”¹²

28. For 38 audits across 33 different issuers with fiscal years ending in 2019 through 2022, KPMG Canada filed Form APs that failed to accurately report information concerning other accounting firm participants in the audits. In particular, the Firm failed to file accurate Form APs in connection with the following:

- the Firm’s use and reporting of component auditors;

⁹ See General Instruction No. 2 of Form AP (“[O]ther accounting firm’ means (i) a *registered public accounting firm* other than the Firm; or (ii) any other *person* or entity that opines on the compliance of any entity’s financial statements with an applicable financial reporting framework”).

¹⁰ In the adopting release for PCAOB Rule 3211, the Board explained that information provided on Form AP was “intended to help investors understand how much of the audit was performed by the accounting firm signing the auditor’s report and how much was performed by other accounting firms,” and allow investors to “research publicly available information about the firms identified in the form, such as whether a participating firm is registered with the PCAOB, whether it has been inspected and, if so, what the results were and whether it has any publicly available disciplinary history.” See *Improving the Transparency of Audits: Rules to Require Disclosure of Certain Audit Participants on a New PCAOB Form and Related Amendments to Auditing Standards*, PCAOB Rel. No. 2015-008, at 4 (Dec. 15, 2015).

¹¹ See Item 4.2 and Part IV of Form AP.

¹² See Note to Item 3.2 of Form AP.

- the Firm’s use of “shared service centers” (“SSCs”);
- the Firm’s use of personnel borrowed from other accounting firms; and
- the Firm’s use of KPMG US through KPMG US’s professional practice personnel.

i. Audits Using Component Auditors

29. During certain audits, KPMG Canada utilized work performed by other KPMG International member firms and one firm that was not a member of KPMG International (generally, “Component Auditors”). By performing the requested audit procedures, Component Auditors participated in the following seven audits (“Group Audits”) as follows:

Issuer	Fiscal Year(s)	Component Auditor(s)
Galiano Gold Inc.	2020	KPMG Ghana
IAMGOLD Corporation	2020	KPMG Nigeria
Bank of Montreal	2020	KPMG Barbados
Neptune Wellness Solutions Inc.	2022	KPMG US
Nutrien Ltd.	2019, 2021	KPMG US
Suncor Energy Inc.	2020	PwC US

30. Following each of the seven Group Audits, KPMG Canada filed a Form AP. Despite the Firm knowing that in one or more of those Group Audits it utilized the work of KPMG Ghana, KPMG Nigeria, KPMG Barbados, KPMG US, or PwC US, KPMG Canada failed to report the participation of the relevant accounting firms in its Form AP filings.

31. Accordingly, KPMG Canada violated PCAOB Rule 3211(a) in connection with the Form APs filed for the Group Audits.

32. Following reevaluation of its Form AP reporting, KPMG Canada filed the following amended Form APs—one for each of the Group Audits—to report the participation of the other accounting firm:

Issuer	Fiscal Year	Form AP/A Filing Date	Description of Amendment
Galiano Gold Inc.	2020	Aug. 16, 2023	Identifying in Item 4.1 KPMG Ghana’s participation representing 8% of total audit hours.
IAMGOLD Corporation	2020	May 28, 2021	Increasing the reported number of firms individually less than 5% of total audit hours by one.

Issuer	Fiscal Year	Form AP/A Filing Date	Description of Amendment
Bank of Montreal	2020	Jan. 3, 2022	Increasing the reported number of firms individually less than 5% of total audit hours by one.
Neptune Wellness Solutions Inc.	2022	Apr. 22, 2023	Increasing the reported number of firms individually less than 5% of total audit hours by one.
Nutrien Ltd.	2019	Mar. 1, 2021	Increasing the reported number of firms individually less than 5% of total audit hours by one.
Nutrien Ltd.	2021	Aug. 16, 2023	Increasing the reported number of firms individually less than 5% of total audit hours by one.
Suncor Energy Inc.	2020	May 28, 2021	Increasing the reported number of firms individually less than 5% of total audit hours by one.

33. In addition, in connection with the audit of Westport Fuel Systems Inc.’s 2022 financial statements (the “2022 Westport Audit”), KPMG Canada engaged KPMG Audyt SPK to perform audit procedures.

34. However, in KPMG Canada’s original Form AP for the 2022 Westport Audit, filed April 14, 2023, KPMG Canada incorrectly identified KPMG Audyt ZOO, instead of KPMG Audyt SPK, as a participating other accounting firm at a 10% level. KPMG Canada did not in fact use KPMG Audyt ZOO’s work in the 2022 Westport Audit.

35. Accordingly, KPMG Canada violated PCAOB Rule 3211(a) in connection with the Form AP for the 2022 Westport Audit.

36. On April 21, 2023, KPMG Canada filed an amended Form AP for the 2022 Westport Audit, to remove KPMG Audyt ZOO and identify KPMG Audyt SPK as a participant in the audit at a 10% level.

ii. Audits Using SSCs

37. In connection with 20 audits, KPMG Canada utilized work performed by an SSC, the GDC, which was located in India.

38. In connection with those 20 audits, the GDC, in turn, utilized either KPMG India or B S R & Co. personnel to perform certain audit procedures as part of the audits, as follows:

Issuer	Fiscal Year	Other Accounting Firm
Aptose Biosciences Inc.	2021	KPMG India
Aurora Cannabis Inc.	2021	B S R & Co.
Ballard Power Systems Inc.	2020	B S R & Co.
City Office REIT, Inc.	2020	B S R & Co.
CRH Medical Corporation	2020	B S R & Co.
Cronos Group Inc.	2020	B S R & Co.
Enerplus Corporation	2020	B S R & Co.
Fortuna Silver Mines Inc.	2019	KPMG India
Gran Tierra Energy Inc.	2019	KPMG India
Kinross Gold Corporation	2019	KPMG India
Mogo Inc.	2020	B S R & Co.
Mountain Province Diamonds Inc.	2020	B S R & Co.
Pembina Pipeline Corporation	2020	B S R & Co.
Points.com Inc.	2021	KPMG India
Rogers Communications Inc.	2020	B S R & Co.
Teekay Corporation	2020	B S R & Co.
Teekay Corporation	2021	KPMG India
Teekay Tankers Ltd.	2020	B S R & Co.
The Descartes Systems Group Inc.	2022	KPMG India
Theratechnologies Inc.	2020	B S R & Co.

39. Following each of the audits that utilized an SSC, KPMG Canada filed a Form AP. Despite utilizing the work of either KPMG India or B S R & Co. in each of the audits that utilized an SSC, KPMG Canada failed to report the participation of KPMG India or B S R & Co. in its Form AP filings.

40. Accordingly, KPMG Canada violated PCAOB Rule 3211(a) in connection with the 20 Form APs filed for the audits that utilized an SSC.

41. Between June and August 2023, KPMG Canada filed amended Form APs—one for each of the audits that utilized an SSC—to report the participation of KPMG India or B S R & Co. as an other accounting firm representing less than 5% of total audit hours.

iii. Audits Using Personnel Borrowed from Other KPMG International Affiliated Firms

42. During certain audits, KPMG Canada utilized, and supervised under AS 1201, personnel “borrowed” from other KPMG International member firms (“Borrowed Personnel”)

to perform work on the audits.¹³ As a result, for the audits in which their Borrowed Personnel performed work, the other KPMG International member firms were participants.¹⁴

43. KPMG Canada utilized firms through their Borrowed Personnel on the following nine audits:

Issuer	Fiscal Year	Other Accounting Firm	% Participation
Mogo Inc.	2019	B S R & Associates	6%
PyroGenesis Canada Inc.	2020	B S R & Co.	9%
Alamos Gold Inc.	2019	KPMG US	Less than 5%
City Office REIT, Inc.	2019	KPMG New Zealand	Less than 5%
GFL Environmental Inc.	2021	B S R & Co.	Less than 5%
mCloud Technologies Corp.	2020	B S R & Co.	Less than 5%
Norbord Inc.	2019	B S R & Co.	Less than 5%
Teekay Corporation	2019	KPMG US	Less than 5%
TFI International Inc.	2020	B S R & Co.	Less than 5%

44. Following each of the nine audits, KPMG Canada filed a Form AP. Despite utilizing the above other accounting firms through Borrowed Personnel, KPMG Canada failed to report the participation of the relevant other accounting firm in its Form APs.

45. Accordingly, KPMG Canada violated PCAOB Rule 3211(a) in connection with the Form APs filed for the nine audits.

46. After reevaluating the implications of using Borrowed Personnel, KPMG Canada filed amended Form APs for each of the audits to report the participation of the relevant other accounting firm. In particular, on August 16, 2023, KPMG Canada filed an amended Form AP for

¹³ KPMG Canada distinguished Borrowed Personnel from what the Firm considered “Seconded Employees.” See Staff Guidance, Form AP, *Auditor Reporting of Certain Audit Participants, and Related Voluntary Audit Report Disclosure Under AS 3101, The Auditor’s Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion*, at 7 (Dec. 17, 2021) (“[S]upervision of a professional employee in a secondment arrangement does not, in and of itself, mean that the other accounting firm participated in the audit. A secondment arrangement for purposes of reporting on Form AP is one in which, for at least three consecutive months, (1) a professional employee of an accounting firm in one country works for an accounting firm located in another country, and (2) the professional employee performs audit procedures with respect to entities and their operations in that other country and does not perform more than de minimis audit procedures in relation to entities or business operations in the country of his or her employer.”).

¹⁴ See Note to Item 3.2 of Form AP.

the 2020 PyroGenesis Audit to report the participation of B S R & Co. as an other accounting firm, at a 9% level. On August 18, 2023, KPMG Canada filed an amended Form AP for the 2019 Mogo Audit to report the participation of B S R & Associates as an other accounting firm, at a 6% level. For the remaining seven audits, KPMG Canada filed amended Form APs increasing by one the number of firms reported as participating at less than 5% of total audit hours.

iv. KPMG Canada’s Use of KPMG US’s Department of Professional Practice

47. KPMG Canada utilized the work of KPMG US through its Department of Professional Practice (“US DPP”) in connection with the audit of Canopy Growth Corporation’s 2022 financial statements (the “2022 Canopy Audit”). In particular, KPMG Canada consulted with the US DPP on a consolidation matter. KPMG US thereby participated in the 2022 Canopy Audit.

48. Following the 2022 Canopy Audit, KPMG Canada filed a Form AP. In the Form AP filing, KPMG Canada failed to report the participation of KPMG US in the 2022 Canopy Audit.

49. Accordingly, KPMG Canada violated PCAOB Rule 3211(a) in connection with the Form AP filed for the 2022 Canopy Audit.

50. KPMG Canada filed an amended Form AP, on August 21, 2023, to report the participation of KPMG US as an other accounting firm representing less than 5% of total audit hours.

F. KPMG Canada Violated PCAOB Quality Control Standards

51. PCAOB rules require that a registered firm comply with PCAOB quality control standards.¹⁵ Those standards require a firm to “have a system of quality control for its accounting and auditing practice.”¹⁶ As part of this requirement, “[p]olicies and procedures should be established to provide the firm with reasonable assurance that the work performed by engagement personnel meets applicable professional standards, regulatory requirements, and the firm’s standards of quality.”¹⁷

52. PCAOB quality control standards also recognize that monitoring procedures are necessary “to provide the firm with reasonable assurance that the policies and procedures relating to each of the other elements of quality control are suitably designed and are being

¹⁵ PCAOB Rule 3400T, *Interim Quality Control Standards*.

¹⁶ QC § 20.01, *System of Quality Control for a CPA Firm’s Accounting and Auditing Practice*.

¹⁷ QC § 20.17.

effectively applied.”¹⁸ Under PCAOB standards, monitoring involves an ongoing consideration and evaluation of, among other things, compliance with the firm’s policies and procedures.¹⁹

53. From 2020 through 2023, KPMG Canada failed to establish and implement adequate policies and procedures, including monitoring procedures, to provide the Firm with reasonable assurance that the work performed by engagement personnel met applicable regulatory requirements related to accurately reporting on Form AP the participation, including the percentage of participation, of other accounting firms in issuer audits.

54. Although KPMG Canada had certain quality control policies and procedures relating to Form AP reporting in connection with the use of other accounting firms, the Firm failed to implement and monitor them in an adequate manner. As a result, the Firm repeatedly filed numerous inaccurate Form APs between 2020 and 2023.

55. Accordingly, the Firm failed to comply with QC § 20 and QC § 30.

IV.

In view of the foregoing, and to protect the interests of investors and further the public interest in the preparation of informative, accurate, and independent audit reports, the Board determines it appropriate to impose the sanctions agreed to in Respondent’s Offer. Accordingly, it is hereby ORDERED that:

- A. Pursuant to Section 105(c)(4)(E) of the Act and PCAOB Rule 5300(a)(5), KPMG Canada is hereby censured;
- B. Pursuant to Section 105(c)(4)(D) of the Act and PCAOB Rule 5300(a)(4), a civil money penalty in the amount of \$700,000 is imposed on KPMG Canada.
 1. All funds collected by the Board as a result of the assessment of this civil money penalty will be used in accordance with Section 109(c)(2) of the Act.
 2. The Firm shall pay this civil money penalty within ten (10) days of the issuance of this Order by: (a) wire transfer in accordance with instructions furnished by Board staff; or (b) United States Postal Service money order, bank money order, certified check, or bank cashier’s check (i) made payable to the Public Company Accounting Oversight Board, (ii) delivered to the Office of Finance, Public Company Accounting Oversight Board,

¹⁸ QC § 30.02, *Monitoring a CPA Firm’s Accounting and Auditing Practice*; see also QC § 20.20.

¹⁹ See QC § 20.20.d; QC § 30.02.d.

1666 K Street, N.W., Washington D.C. 20006, and (iii) submitted under a cover letter, which identifies KPMG Canada as a respondent in these proceedings, sets forth the title and PCAOB release number of these proceedings, and states that payment is made pursuant to this Order, a copy of which cover letter and money order or check shall be sent to Office of the Secretary, Attention: Phoebe W. Brown, Secretary, Public Company Accounting Oversight Board, 1666 K Street, N.W., Washington D.C. 20006.

3. If timely payment is not made, interest shall accrue at the federal debt collection rate set for the current quarter pursuant to 31 U.S.C. § 3717. Payments shall be applied first to post-Order interest.
4. Respondent understands that failure to pay the civil money penalty described above may result in summary suspension of its registration, pursuant to PCAOB Rule 5304(a), following written notice to Respondent at the address on file with the PCAOB at the time of the issuance of this Order.

C. Pursuant to Section 105(c)(4)(G) of the Act and PCAOB Rule 5300(a)(9), the Board orders that:

1. Review by KPMG Canada. Within three months of the date of this Order, KPMG Canada shall review and evaluate its quality control policies and procedures to assess whether those policies and procedures provide the firm with reasonable assurance that its personnel and other associated persons comply with PCAOB Rule 3211; and that such policies and procedures, including monitoring procedures, provide the Firm with reasonable assurance that Firm personnel will communicate to audit committees all matters required by AS 1301.
2. Reporting. Within three months of the date of this Order, KPMG Canada shall submit a written report to the Director of the Division of Enforcement and Investigations summarizing the review and evaluation of the areas specified in paragraph C.1 above (“Report”). The Report shall describe any modified or additional policies or procedures adopted or to be adopted by KPMG Canada or, if KPMG Canada concludes no such modifications or additions should be adopted, a detailed and satisfactory explanation of why the Firm believes changes are not warranted. In addition, KPMG Canada shall submit any additional information and evidence concerning the Report, the information in the Report, and

KPMG Canada's compliance with this Order as the staff of the Division of Enforcement and Investigations may reasonably request.

3. Certificate of Implementation. Within six months of the date of this Order, KPMG Canada's managing partner shall certify in writing ("Certificate of Implementation") to the Director of the Division of Enforcement and Investigations that KPMG Canada has implemented all of the modifications and additions, if any, to its policies and procedures that were described in the Report. The Certificate of Implementation shall provide written evidence of KPMG Canada's adoption of such modifications and additions in narrative form, identify the actions taken to implement such modifications and additions, and be supported by exhibits sufficient to demonstrate implementation. KPMG Canada shall also submit such additional evidence of, and information concerning, implementation as the staff of the Division of Enforcement and Investigations may reasonably request.
4. Noncompliance. KPMG Canada understands that a failure to satisfy all applicable undertakings may constitute a violation of PCAOB Rule 5000 and could provide a basis for the imposition of additional sanctions in a subsequent disciplinary proceeding.

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown
Secretary

March 11, 2025