

and Richard DeHaas, P.Eng. are professional members who are employees of MA Steel.

As a result of the investigation of a complaint from a former employee, a hearing was held on May 27, 2016 into charges against MA Steel and the four professional members. The charges alleged that between 2011 and 2013, Richard DeHaas, P.Eng., metallurgical engineer, intentionally altered material test results on certified material test reports issued to customers of M.A. Steel and that Marc R. Poissant, P.Eng., plant manager at MA Steel, intentionally altered material test results on certified material test reports for issuance to customers of MA Steel, and authorized or impliedly authorized the actions of Richard DeHaas.

The charges also alleged that each of MA Steel, Isidro Ang, P.Eng. and Carlos Ang, P.Eng., failed to ensure the integrity of MA Steel's quality assurance system for testing its steel casting products, by failing to institute appropriate controls and procedures to ensure that accurate tests were done and reported to clients and that the steel casting products sent to clients had all undergone and passed valid tests. The charges alleged that the conduct of MA Steel and the four professional members was for the purpose of meeting customer delivery schedules, saving on expense or avoiding extra work. It was alleged that this conduct constituted unprofessional conduct or unskilled practice by the Member, as set out in sections 44(1) of the *Engineering and Geoscience Professions Act*, and contravenes one or more of Rules of Conduct 3, 4, and 5 of APEGA's Code of Ethics.

This case proceeded by way of an Agreed Statement of Facts and Admission of Unprofessional Conduct. Each of the four professional members and the Permit Holder MA Steel admitted all of the allegations set out in the Notice of Hearing. The detailed Agreed Statement of Facts and Admissions set out the admissions that supported each allegation in the Notice of Hearing.

The Hearing Panel found that it was clear that under the ISO Standards under which MA Steel's steel alloy products are produced the products must meet the required qualities set by the American Society for Testing and Materials Standards ("ASTM Standards") unless the customer accepts variations from the ASTM Standards. In

each case there is a final inspection before the product is shipped.

The Agreed Statement of Facts and Admissions reviewed in detail 17 cases where test results were manipulated in various ways including:

- a. Changing test results to make it appear that the test bar conformed to required specifications;
- b. Creating tests results when the independent test results were not available;
- c. Using test results from representative or stand-in test bars in place of actual test results from actual test bars from a specific casting or heat.

These test results were then sent to the customer without notifying the customer of what had been done or the potential issues in respect of the testing.

The admissions acknowledged that while these actions were done primarily by Mr. Richard DeHaas and one of his employees, these actions were taken with the knowledge and express or implicit authorization of the Plant Manager, Marc Poissant and the owners Isidro Ang and Carlos Ang. Based on this information, it was clear to the Hearing Panel that there was a systemic issue that went throughout MA Steel and that was condoned and participated in by all of the four professional members.

The Hearing Panel held that certifications of test results are professional documents relied upon by clients. A professional member cannot sign or permit to be signed any professional certification that the professional member knows is not accurate. The situation is made worse when the professional member takes deliberate actions to alter the test results or to create test results or to test the wrong materials in order to certify to a client that the required standards have been met.

The Hearing Panel also stated that the integrity of the profession depends upon the public being able to depend upon professional members to ensure that products they design and produce and certify are safe and function as designed. If the public cannot depend upon a professional member's integrity in this respect then the reputation and integrity of the profession is threatened.

Therefore, the Hearing Panel found that the admitted actions of each of the profes-

DECISION OF THE APEGA DISCIPLINE COMMITTEE

REGARDING M.A. STEEL FOUNDRY LTD. AND OTHERS

Date: August 11, 2016 Case No.: 16-003-FH

M.A. Steel Foundry Ltd. ("MA Steel") is an APEGA permit holder. Isidro Ang, P.Eng. and Carlos Ang, P.Eng. are professional members of APEGA who are some of the owners of MA Steel. Marc Poissant, P.Eng.

sional members and MA Steel were a fundamental breach of their professional obligations and that their conduct clearly breached Rules 3, 4 and 5 of the Code of Ethics and constituted “unprofessional conduct” and “unskilled practice” as defined in section 44(1) and in particular subsections 44(1) (b), 44(1) (c), and 44(1) (e) of the Engineering and Geoscience Professions Act. The Hearing Panel also found that these actions clearly harmed or tended to harm the honour and dignity and standing of the profession.

Based on a Joint Submission on Sanctions presented to the Hearing Panel, the Hearing Panel imposed a reprimand and a fine of \$2500 on each of the four professional members. MA Steel was ordered to pay a fine in the amount of \$5000.00 and a portion of the costs of the hearing in the amount of \$5000.00 within 60 days of the Decision. MA Steel was also required for a period of three years following the Decision, to submit at its own cost to a series of audits, in accordance with detailed schedule setting out the scope of the audits, by an independent auditor who has an understanding of the operation of a steel foundry, including welding and casting procedures.

The Hearing Panel also ordered that after each audit, the auditor shall provide a written report to the Director of Enforcement and Permits at APEGA that sets out: the steps taken in the audit; the results of the audit; and any concerns that have been identified as a result of the audit. If any concerns were identified, the concerns could result in a new complaint against MA Steel and/or the professional members employed by MA Steel.

The Hearing Panel also accepted and incorporated into its decision, the following professional undertaking given to the Hearing Panel and to APEGA by the professional members and MA Steel:

The professional members and MA Steel undertake to address MA Steel’s Professional Practice Management Program to develop a chain of responsibility dealing the testing and certification of products produced for clients and to incorporate that chain of responsibility and the necessary policies and procedures into MA Steel’s Professional Practice Management Program and to provide

the revised Professional Practice Management Program to the Director of Enforcement and Permits within 60 days of this Decision.

The Hearing Panel emphasized that it regarded this professional undertaking as an essential part of this decision and the orders made and that there must be full and timely compliance with this undertaking.

Finally, the Hearing Panel ordered that details of the case will be published in the PEG magazine with MA Steel and the professional members identified by name and the Decision or a summary of the Decision will also be posted on APEGA’s website.

In reaching its decision on sanctions accepting the joint submission on sanctions, the Hearing Panel noted that without the full cooperation and acknowledgment of the professional members and MA Steel and evidence that all affected customers had been notified and no issues to date had been found with the castings, the Hearing Panel would have required more severe sanctions.

The Hearing Panel noted that any future conduct of this nature could result in significantly more severe sanctions.
