

# NOTICE / NEWS RELEASE

*For immediate release*

## **Enforcement Notice Decision 13-0060**

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## **IN THE MATTER OF Gabriel Ka Leung Lee – Settlement Accepted**

**February 21, 2013 (Calgary, Alta.)** – On February 6, 2013, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC), accepted a Settlement Agreement between IIROC staff and Gabriel Ka Leung Lee.

Mr. Lee admitted that, without his firm’s knowledge, he engaged in outside business activities by facilitating off-book investments and loans by eight clients in two separate companies. Mr. Lee also admitted to borrowing funds from a client.

Specifically, Mr. Lee admitted to the following violations:

- a) Between June 2008 and September 2011, Mr. Lee engaged in outside business activities by facilitating off-book investments and/or loans between eight clients and Asia Active Resources, without the knowledge of his firm and without proper exemptions under the *Securities Act (Alberta)*, contrary to Dealer Member Rule 29.1;
- b) In 2009, Mr. Lee engaged in outside business activities by facilitating off-book investments by three clients in Castle Rock Research Corporation, without the knowledge of his firm, contrary to Dealer Member Rule 29.1; and
- c) In or about February 2011, Mr. Lee engaged in personal financial dealings with a client without the knowledge or consent of his firm when he borrowed \$100,000 from a client, contrary to Dealer Member Rule 29.1.



Pursuant to the Settlement Agreement, Mr. Lee agreed to the following penalties:

- a) Mr. Lee agrees to pay a fine to IIROC in the amount of \$75,000.00; and
- b) Mr. Lee shall be prohibited from registration in any capacity for a period of six months.

Mr. Lee also agreed to pay costs in the amount of \$5,000.00.

The Settlement Agreement is available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=42C7518E42B84565A11BEE75BA55F2F7&Language=en>.

and the Decision will be made available at [www.iiroc.ca](http://www.iiroc.ca).

Documents related to ongoing IIROC enforcement proceedings – including Reasons and Decisions of Hearing Panels – are posted on the IIROC website as they become available. Click [here](#) to search and access all IIROC enforcement documents

IIROC formally initiated the investigation into Mr. Lee’s conduct in September 2011. The conduct occurred when he was a Registered Representative with the Edmonton branch of Richardson GMP Limited, an IIROC-regulated firm. Mr. Lee is no longer a registrant with an IIROC-regulated firm.

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IIROC is the national self-regulatory organization which oversees all investment dealers and trading activity on debt and equity marketplaces in Canada. Created in 2008 through the consolidation of the Investment Dealers Association of Canada and Market Regulation Services Inc., IIROC sets high quality regulatory and investment industry standards, protects investors and strengthens market integrity while maintaining efficient and competitive capital markets.

IIROC carries out its regulatory responsibilities through setting and enforcing rules regarding the proficiency, business and financial conduct of dealer firms and their registered employees and through setting and enforcing market integrity rules regarding trading activity on Canadian equity marketplaces.

IIROC investigates possible misconduct by its member firms and/or individual registrants. It can bring disciplinary proceedings which may result in penalties including fines, suspensions, permanent bars, expulsion from membership, or termination of rights and privileges for individuals and firms.

All information about disciplinary proceedings relating to current and former member firms is available in the [Enforcement section](#) of the IIROC website. Background information regarding the qualifications and disciplinary history, if any, of advisors currently employed by IIROC-regulated firms is available free of charge through the [IIROC AdvisorReport](#) service. Information on how to make investment dealer, advisor or marketplace-related complaints is available by calling 1.877.442.4322.

