

# NOTICE / NEWS RELEASE

*For immediate release*

## **Enforcement Notice Decision 15-0040**

*For further information, please contact:*

*Enforcement Contact:*

Warren Funt  
Vice President, Western Canada  
604 331-4750  
[wfunt@iiroc.ca](mailto:wfunt@iiroc.ca)

*Media Contact:*

Karen Archer  
Senior Media and Public Affairs Specialist  
416 865-3046  
[karcher@iiroc.ca](mailto:karcher@iiroc.ca)

## **IN THE MATTER OF Kelly Richard Jones – Settlement Accepted**

**February 6, 2015 (Calgary, Alberta)** – On January 23, 2015, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement, with sanctions, between IIROC staff and Kelly Richard Jones.

Mr. Jones admitted that he improperly handled the accounts of three of his clients by failing to know his clients, and making unsuitable recommendations.

Specifically, Mr. Jones admitted to the following violations:

- (a) Between approximately January 2008 and May 2012, Mr. Jones failed to use due diligence to learn and remain informed of the essential facts relative to three clients, contrary to Dealer Member Rule 1300.1(a) (IDA Regulation 1300.1(a) prior to June 1, 2008); and
- (b) Between approximately January 2008 and May 2012, Mr. Jones failed to use due diligence to ensure that recommendations were suitable for three clients, based on factors including the client's financial situation, investment knowledge, investment objectives and risk tolerance, contrary to IIROC Dealer Member Rule 1300.1(q)(IDA Regulation 1300.1(q) prior to June 1, 2008).

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

- (a) A fine in the amount of \$75,000; and
- (b) A suspension from registration with IIROC in any capacity for one year.



Mr. Jones also agreed to pay costs in the amount of \$5,000.

The Settlement Agreement is available at

<http://docs.iroc.ca/DisplayDocument.aspx?DocumentID=78107563C79A4D98BA188A9D12535DE7&Language=en>.

The Hearing Panel's decision will be made available at

<http://docs.iroc.ca/DisplayDocument.aspx?DocumentID=E0A076D4B0BA4071906EDF68A5A1BCA0&Language=en>.

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. Jones's conduct in October 2012. The conduct occurred while he was a Registered Representative with the Red Deer, Alberta branch of Richardson GMP Limited, an IIROC-regulated firm. Mr. Jones 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.