

# NOTICE / NEWS RELEASE

*For immediate release*

## **Enforcement Notice Decision 12-0349**

*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:*

David Thomas  
Director, Public Affairs  
416 943-6921  
[dthomas@iiroc.ca](mailto:dthomas@iiroc.ca)

## **IN THE MATTER OF Richard Allan MacDonald – Settlement Accepted**

**November 27, 2012 (Calgary, Alta.)** – On November 9, 2012, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement, with sanctions, between IIROC staff and Richard Allan MacDonald.

Mr. MacDonald admitted that he failed to effectively exercise his supervisory responsibilities with respect to the suitability of holdings in the accounts of six clients.

Specifically, Mr. MacDonald admitted that from June, 2004 to March, 2009, while a Branch Manager at DWM Securities Inc., he failed to take the supervisory steps that were reasonably required with respect to the suitability of holdings in the accounts of six clients, contrary to IIROC Dealer Member Rules 38.4(a) and 2500 [IDA Regulation 1300.2 and Policy No. 2 prior to June 1, 2008].

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

- a) A \$40,000 fine to IIROC; and
- b) Mr. MacDonald shall be prohibited from acting in a supervisory capacity for five years.

Mr. MacDonald also agreed to pay costs in the amount of \$3,000.00.



The Settlement Agreement is available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=1095ADF84E1E4598B3DE31E6CD91D764&Language=en>

and the Hearing Panel's 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. MacDonald's conduct in August 2010. The conduct occurred when he was a Branch Manager in Calgary with DWM Securities Inc., an IIROC-regulated firm. Mr. MacDonald is no longer a registrant with an IIROC-regulated firm.

\* \* \*

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.