

# NOTICE / NEWS RELEASE

*For immediate release*

## **Enforcement Notice Decision 13-0115**

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## **IN THE MATTER OF James Dale Lambert – Discipline decision – Liability and Penalty**

**April 24, 2013 (Calgary, Alta.)** – Following a disciplinary hearing held on March 18, 2013, in Saskatoon, Sask., a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC), found that James Dale Lambert was liable of failing to use due diligence to learn the essential facts relative to investments in a financial product he recommended to clients, and failing to ensure they were suitable for clients.

The Hearing Panel's decision dated April 5, 2013 and a copy of the Agreed Statement of Facts submitted to the Panel is available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=731E9CC0CDF44360B0A8FF170FC09B95&Language=en>.

Specifically, in the Agreed Statement of Facts, Mr. Lambert admitted the following violations:

- a. Failed to use due diligence to learn and remain informed of the essential facts relative to every order accepted, contrary to IIROC Dealer Member Rule 1300.1(a) [IDA Regulation 1300.1(a) prior to June 1, 2008];
- b. Failed to use due diligence to ensure that recommendations were suitable for his clients, contrary to IIROC Dealer Member Rule 1300.1(q) [IDA Regulation 1300.1(q) prior to June 1, 2008].

The Hearing Panel imposed a sanction with respect to the first violation only, stating that "In the circumstances of this case, there is no element of blameworthiness in one violation that is



not part of the other. That is, if Lambert failed to make suitable recommendations to his clients, it was solely because he did not understand his product.”

The Hearing Panel imposed the following penalties on Mr. Lambert:

- a. A global fine of \$10,000;
- b. Successful re-write of the Conduct and Practices Examination within six months of returning to industry;
- c. Six months of close supervision upon return to the industry.

Mr. Lambert is also required to pay costs in the amount of \$3,000.

IIROC formally initiated the investigation into Mr. Lambert’s conduct in May 2011. The alleged violations occurred when he was a Registered Representative with the Saskatoon branch of Edward Jones, an IIROC-regulated firm. Mr. Lambert is no longer a registrant with an IIROC-regulated firm.

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.

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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.

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