



## **NOTICE OF CANCELLATION J. GORDON ALEXANDER IRNSIDE**

On January 12, 2012, a Discipline Tribunal of the Institute of Chartered Accountants of Alberta (“Institute”) cancelled the registration of J. Gordon Alexander Ironside. In addition the Tribunal ordered that he

- pay a fine of \$60,000 (30,000 in cash within three months of this decision and \$30,000 in kind through 300 hours of volunteer service with a specified organization within 30 months of the date of this decision); and
- Pay costs of the investigation to a maximum of \$120,000.

Mr. Ironside will not be eligible for reinstatement until such time as he has discharged the volunteer obligations referred to herein.

Mr. Ironside was the President and CEO of Company A, a reporting issuer. The Alberta Securities Commission found Mr. Ironside to have acted contrary to Alberta Securities law and contrary to the public interest. The first six allegations by the Institute mirrored the allegation in the Alberta Securities Commission’s proceedings.

The Discipline Tribunal found Mr. Ironside guilty of unprofessional conduct in having:

- 1) associated himself with the financial statements of Company A for the year ending March 31, 1998, and for the interim period September 30, 1998, which he knew or should have known were false or misleading in that the financial statements failed to properly classify three leases as capital leases, thereby understating the company’s capital assets and long-term debt;
- 2) associated himself with the 1998 Annual Report for Company A which he knew or should have known was false or misleading in that production volumes and natural gas sale reserves estimates were both overstated and no adjustment was communicated to regulators or the market;
- 3) associated himself with the 1999 First and Second Interim Reports for Company A which he knew or should have known were false or misleading in that production volumes were overstated and no adjustment was communicated to regulators or the market;
- 4) associated himself with the October 1998 News Release for Company A which he knew or should have known was false or misleading in that revised estimated production of natural gas and liquids was omitted;
- 5) associated himself with the Directors’ Circular for Company A dated November 23, 1998, which he knew or should have known was false or misleading in that it failed to disclose, as a material fact, Company A’s business practice of over-contracting its production such that it was required to purchase natural gas in the open market to meet its contractual obligations and that Company A had consistently lost money by engaging in this activity;



- 6) deceived the external auditors by failing to advise the auditors about the options on three leases and deliberately concealing relevant documents with respect to these leases; and
- 7) been found guilty by the Alberta Securities Commission, on November 7, 2007 (the appeal was dismissed on April 9, 2009), and ordered
  - a. that all of the exemptions contained in the Alberta securities laws do not apply to him permanently, except that the order will not preclude him from trading in or purchasing securities over an exchange as principal through accounts maintained with a registrant who had first been provided with a copy of the decision;
  - b. that he resign any position held as a director or officer of any issuer; and
  - c. that he permanently be prohibited from being or acting as a director or officer (or both) of any issuer.

On May 3, 2012 following receipt of submissions on publication, the Discipline Tribunal further ordered the Discipline Tribunal Secretary:

1. provide notice of the Tribunal's findings and orders on a named basis to all Provincial Institutes, the Institute of Chartered Accountants of Bermuda and any other professional organization to which Gordon Ironside belongs and of which the Institute is aware, as of the date of this order;
2. provide notice of the Tribunal's findings and orders to any Provincial Institute that requests the discipline history of Gordon Ironside;
3. provide notice of the Tribunal's findings and orders to anyone who requests the discipline history of Gordon Ironside;
4. publish a summary of the Tribunal's findings, the nature of the conduct and any orders made as a result of the findings, on the Institutes public website on a named basis;
5. publish the Tribunal's written decision on a named basis, with the names of third parties replaced by pseudonyms, on the Institute Website and provide to Quicklaw;
6. publish a notice of the cancellation of registration, including the nature of the conduct and any orders made, to all chartered accountants; and
7. publish a notice of the cancellation of registration in the Calgary Herald and The Globe and Mail advising that more information can be obtained from the Institute.

May 28, 2012  
Discipline Tribunal Secretary