



Citation: 2022 BCSECCOM 266

## Notice of Hearing

**Matthew Herbert Calvert, Ascenta Finance Corp.,  
and Tracy Anne Mabone**

### **Section 161 of the *Securities Act*, RSBC 1996, c. 418**

- ¶ 1 The British Columbia Securities Commission (the Commission) will hold a hearing (Hearing) at which the Executive Director will tender evidence, make submissions and apply for orders against the Respondents under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

#### **Summary**

1. From July 5, 2016 to August 16, 2019 (the Relevant Period), Matthew Herbert Calvert failed to comply with his Know Your Client (KYC) and suitability obligations and recommended unsuitable high risk exempt market securities to clients.
2. Ascenta Finance Corp. failed to maintain records to demonstrate Calvert's compliance with his suitability obligations.
3. Tracy Anne Mabone, Ascenta's chief compliance officer (CCO), authorized, permitted or acquiesced in Ascenta's contravention and therefore contravened the same provision that it did.

#### **Background**

4. Calvert is a resident of Prince George, British Columbia and has been registered with the Commission as an exempt market dealing representative since 2012.
5. Ascenta is a British Columbia corporation, registered with the Commission as an exempt market dealer firm. Ascenta has its principal business office in North Vancouver. During the Relevant Period Ascenta employed Calvert as an exempt market dealing representative.
6. Mabone resides in Vancouver, is registered with the Commission as a chief compliance officer and was the CCO of Ascenta during the Relevant Period.

#### **Misconduct**

##### ***Calvert***

7. Calvert recorded inaccurate KYC information for five investors (the Investors). This was a contravention of section 13.2 of National Instrument 31-103 *Registration Requirements, Exemptions* (NI 31-103) which required Calvert to take reasonable



steps to ensure that he had sufficient KYC information to enable him to meet his suitability obligation under section 13.3.

8. Before recommending that the Investors purchase exempt market securities, Calvert failed to take reasonable steps to ensure that the securities were suitable for them. This was a contravention of his obligation under section 13.3 of NI 31-103.

***Ascenta***

9. Ascenta failed to maintain records demonstrating compliance with the suitability obligations under section 13.3 of NI 31-103 for 190 investments that Calvert recommended. This was a contravention of section 11.5 of NI 31-103.

***Mabone***

10. As CCO of Ascenta, Mabone authorized, permitted or acquiesced in Ascenta's contraventions and therefore contravened the same provisions that it did pursuant to section 168.2 of the Act.

**Hearing Process**

- ¶ 2 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on **Thursday, October 27, 2022, at 9:00 a.m.** if they wish to be heard before the Commission sets a date for the Hearing. Relevant information gathered by Commission Staff in the investigation of this matter will be disclosed to the Respondent upon request to the Executive Director.
- ¶ 3 At the Hearing, the Respondents may be represented by counsel, make submissions and tender evidence. The Respondents are requested to advise the Commission of their intention to attend the Hearing by informing the Hearing Office at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: [hearingoffice@bcsc.bc.ca](mailto:hearingoffice@bcsc.bc.ca).
- ¶ 4 If the Respondents or their counsel do not appear at the Hearing, the Executive Director may apply to have questions of liability and sanction heard at the same time. Determinations adverse to the Respondents may be made in their absence.
- ¶ 5 Orders made against you in this matter may automatically take effect against you in other Canadian jurisdictions, without further notice to you.

*Peter J Brady*

*Jul 5 2022 9:38 AM -07:00*

- ¶ 6 Peter J. Brady  
Executive Director