

ALBERTA SECURITIES COMMISSION
SETTLEMENT AGREEMENT AND UNDERTAKING

Citation: LESTER, Dwight, Re, 2010 ABASC 44

Date: 20100203

Docket: E/04069

Securities Act, R.S.A. 2000, c. S-4, as amended (Act)

DWIGHT LESTER and KIMBERLEY McARA-LESTER

Agreed Facts

Introduction

1 The staff of the Alberta Securities Commission (respectively, **Staff** and **Commission**) conducted an investigation into allegations that Dwight Lester (**Lester**) and Kimberley McAra-Lester (**McAra-Lester**) breached Alberta securities laws, as that term is defined in the *Act*, regarding insider trading and thus acted contrary to the public interest.

2 The investigation confirmed and each of Lester and McAra-Lester admits that they each breached the sections of the *Act* set out below and each acted contrary to the public interest.

3 Solely for the purposes of the regulation of securities in Alberta, and elsewhere, and as the basis for the settlement set out below in paragraph 12, each of Lester and McAra-Lester makes the admissions set out below in this Settlement Agreement and Undertaking (**Agreement**).

4 Terms used in this Agreement have the same meaning as provided for in Alberta securities laws, as that term is defined in the *Act*.

Circumstances

5 Lester was at all relevant times the Director of Finance of easyhome Ltd. (**Easyhome**). In the summer of 2008, Easyhome planned to offer to purchase all outstanding shares of Insta-Rent Inc. (**Insta-Rent**). The per-share purchase price of the Easyhome offer was to be substantially higher than the price of Insta-Rent shares as they traded in the weeks prior to the Easyhome offer.

6 Lester admits he knew that Easyhome was going to offer to purchase Insta-Rent shares at a price substantially higher than their current trading values (the **Information**) before Easyhome's intended offer was generally disclosed. He further admits that he knew or ought to have known the Information was material for the purposes of Alberta securities laws and that he disclosed the Information to McAra-Lester before the Information was generally disclosed.

7 Lester further admits that he knew or ought to have known that at all material times he was in a special relationship with Insta-Rent by virtue of his employment with Easyhome as it proposed to make a takeover bid for Insta-Rent and by virtue of his learning of the Information while in the employment of Easyhome.

8 McAra-Lester admits that she purchased 60,000 Insta-Rent shares for an average price of \$.21 after Lester informed her of the Information and before the Information was generally disclosed. McAra-Lester also admits that she sold the 60,000 shares shortly after the Information became widely disclosed for prices ranging from \$.485-\$.490. McAra-Lester further admits that she profited \$16,525 by selling the Insta-Rent shares after disclosure of the Information.

9 McAra-Lester admits that at the time she purchased the Insta-Rent shares she knew or ought to have known she was in a special relationship with Insta-Rent by virtue of the fact that she learned of the Information from Lester, who she knew or ought reasonably to have known was in a special relationship with Insta-Rent.

Breaches

10 Lester admits that he breached s. 147(3) of the *Act* by informing McAra-Lester of the Information.

11 McAra-Lester admits that she breached s. 147(2) of the *Act* by purchasing shares of Insta-Rent with knowledge of the Information before it was generally disclosed.

Settlement Payments and Undertakings

12 Based on these facts and admissions, Lester and McAra-Lester jointly agree to pay to the Commission the amount of \$24,787 to settle the allegations against them and the amount of \$2,812 for costs.

Administration

13 Each of Lester and McAra-Lester acknowledge that they have sought and received independent legal advice and that they have voluntarily made the admissions herein.

14 Each of Lester and McAra-Lester waive any right existing under the *Act*, or otherwise, to a hearing, review, judicial review or appeal of this matter.

15 Each of Lester and McAra-Lester acknowledge that this Agreement may be referred to solely for securities regulatory purposes in Alberta and elsewhere.

16 The Agreement resolves all issues involving Lester and McAra-Lester as described in the above paragraphs, and Staff will take no further steps against them arising from these facts.

17 The Agreement may be executed in counterpart.

Signed by DWIGHT LESTER at)
Sherwood Park, Alberta this)
17 day of January 2010, in the)
presence of:)

Peter McAra)
WITNESS NAME)

"Original Signed By")
SIGNATURE)

"Original Signed By")
DWIGHT LESTER

Signed by KIMBERLEY)
McARA- LESTER at Sherwood Park,)
Alberta this 17 day of)
January 2010, in the presence of:)

Kristina Tarasoff)
WITNESS NAME)

"Original Signed By")
SIGNATURE)

"Original Signed By")
KIMBERLEY McARA-LESTER

) ALBERTA SECURITIES COMMISSION

Calgary, Alberta, 3rd February 2010)

) "Original Signed By")

) John P. Petch)
) Director, Enforcement)