

# IIROC NOTICE

## **Enforcement Notice Decision**

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Legal and Compliance

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**11-0343**  
**November 30, 2011**

## **IN THE MATTER OF Melaney Phillips – Penalty**

Following a disciplinary hearing held on April 6 & 7, 2011 in Vancouver, B.C., a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) found that Melaney Phillips recommended unsuitable purchases for two clients, made discretionary purchases for one client, prepared tax returns for clients without the consent of her firm, and on one occasion, sold shares from her own account to a client without ensuring the client obtained the best available price. The Hearing Panel's Decision and Reasons on Liability dated June 8, 2011 is available at

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=D83AA02E51164271A6732B160098490A&Language=en>

Following a penalty hearing held on September 16, 2011, the Hearing Panel imposed the following penalties on Ms. Phillips:

- (a) a fine of \$290,000;
- (b) disgorgement of profits of \$10,350;
- (c) a 3 year suspension from registration from the date of the penalty decision;
- (d) a requirement for full payment of fine, disgorgement, & costs prior to re-registration;
- (e) a requirement that she successfully re-take and successfully complete all appropriate courses prior to re-registration;



- (f) a requirement that she be subject to strict supervision for the first 2 years in the event that she is re-registered; and
- (g) payment of costs in the amount of \$15,000.

The Decision and Reasons on Penalty can be found at

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=41817533D4E9409B9270412A366CC7C0&Language=en>

IIROC formally initiated the investigation into Ms. Phillips' conduct in February 2009. The violations occurred when she was a Registered Representative with the Kelowna branch of Canaccord Genuity Corp., an IIROC regulated firm. Ms. Phillips 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 (IDA) and Market Regulation Services Inc. (RS), 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 responsibility 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.