

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice Decision 12-0156

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IN THE MATTER OF Stéphane Rail – Penalty Decision

May 4, 2012 (Montréal, Québec)—Following a disciplinary hearing on November 7, 2011, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) found Stéphane Rail guilty of impeding an IDA (now IIROC) investigation, failing to use due diligence to learn the essential facts relative to his client and the person identified as the authorized individual on the account, and accepting instructions from an unauthorized person.

The decision on liability dated December 12, 2011 can be found at
<http://docs.iroc.ca/DisplayDocument.aspx?DocumentID=D05C724CD12842B7B9D14A5EE73711C2&Language=en>.

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.

Following a penalty hearing on February 24, 2012, the panel imposed the following penalties on Mr. Rail:

- (a) a permanent ban on approval with IIROC; and
- (b) a \$100,000 fine.

Mr. Rail is also required to pay costs in the amount of \$10,000.

The penalty decision can be found at
<http://docs.iroc.ca/DisplayDocument.aspx?DocumentID=9642C0429FA34781BBAC3387BB21BC74&Language=en>



IIROC formally initiated the investigation into Mr. Rail's conduct in November 2009. The violations occurred when he was a Registered Representative with the Québec City branches of TD Evergreen or Canaccord Capital Inc., both IIROC-regulated firms. Mr. Rail is no longer a registrant with an IIROC-regulated firm.

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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.