

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice Decision 12-0012

For further information, please contact:

Enforcement Contact:

Warren Funt
Vice President, Western Canada
604 331-4750
wfunt@iiroc.ca

Media Contact:

David Thomas
Director, Public Affairs
416 943-6921
dthomas@iiroc.ca

IN THE MATTER OF Kenneth Gareau – Penalty Decision

January 10, 2012 (Calgary, AB) – A Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) found on September 26, 2011 that Kenneth Gareau recorded inaccurate “know your client” information on client account forms, made unsuitable recommendations and made a transaction against the expressed wishes of a client.

The Decision and Reasons on Liability dated September 26, 2011 can be found at:
<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=4B62FAFF04194B01B0F7D5DA56C008F2&Language=en>.

In a penalty decision dated January 2, 2012, the panel imposed the following penalties on Mr. Gareau:

- (a) An order that he may not seek registration for a period of one year from the date of the decision on penalty;
- (b) A fine of \$100,000;
- (c) Disgorgement of commissions in the amount of \$47,383;
- (d) Before seeking re-registration, he must successfully re-take the Conduct and Practices Course;
- (e) If he is re-registered, he must be subject to strict supervision for one year followed by a further six months of close supervision; and
- (f) Payment of costs of \$20,000.

The Decision and Reasons on Penalty can be found at
<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=68C8313F8B114CE4A567FB85E2FA7681&Language=en>



IIROC formally initiated the investigation into Mr. Gareau's conduct in March 2009. The violations occurred when he was a Registered Representative with the Regina, Saskatchewan sub-branch of Dundee Securities Corporation, an IIROC-regulated firm. Until the release of the Decision and Reasons on Penalty, Mr. Gareau was registered at the same firm, now known as DWM Securities Inc., in Regina.

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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.