

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice Decision 14-0041

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IN THE MATTER OF Wasseem Dirani – Settlement Accepted

February 12, 2014 (Toronto, ON) – On February 5, 2014, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement, with sanctions, between IIROC staff and Wasseem Dirani.

Mr. Dirani admitted that he recommended and purchased securities for the margin account of one of his clients utilizing funds that he knew the client had borrowed. The use of borrowed funds and the use of margin were unsuitable for this client.

In addition, he took a personal loan from another client that was secured by a mortgage on Mr. Dirani's house. Mr. Dirani failed to disclose the personal loan to his firm and accordingly engaged in personal business with this client without his firm's knowledge or consent.

Specifically, Mr. Dirani admitted to the following violation(s):

- (a) From or about March 2006 to June 2012, Mr. Dirani failed to use due diligence to ensure that recommendations were suitable for his client, contrary to IIROC Dealer Member Rule 1300.1(q) [IDA Regulation 1300.1(q) prior to June 1, 2008]; and
- (b) In or about August 2012, Mr. Dirani engaged in undisclosed personal business with a client without the knowledge or consent of his firm, contrary to IIROC Dealer Member Rule 29.1 [IDA By-law 29.1 prior to June 1, 2008].

Pursuant to the Settlement Agreement, Mr. Dirani agreed to the following penalties:

- (a) A fine of \$40,000;



- (b) Strict supervision for 12 months;
- (c) Rewrite the Conduct and Practices Handbook; and
- (d) Disgorgement of \$3,100.

Mr. Dirani also agreed to pay costs in the amount of \$2,500.

The Settlement Agreement is available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=1179AE1CD74E4990BA15A00186002C82&Language=en>

and the Hearing Panel's decision will be made available at www.iiroc.ca.

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.

IIROC formally initiated the investigation into Mr. Dirani's conduct in May 2012. The conduct occurred while he was a Registered Representative with the Hamilton branch of Edward Jones, an IIROC-regulated firm. Mr. Dirani is currently a Registered Representative with the Mississauga branch of IPC Securities Corporation, 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.