

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice Decision 14-0038

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IN THE MATTER OF Rajiv Puri – Discipline Decision – Liability and Penalty

February 10, 2014 (Toronto, Ontario) – Following a disciplinary hearing held on December 10, 2013, in Toronto, Ontario, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC), found that Mr. Rajiv Puri had been registered as a broker in the United States without disclosing those registrations to his Member firm and that he had opened accounts for clients without conducting adequate due diligence.

The Hearing Panel's decision dated January 20, 2014 is available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=6121FD59D8674B90994F0CC72839EF7E&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.

Specifically, the Hearing Panel found that Mr. Puri committed the following violations of IIROC's rules:

Count 1:

- (a) From September 2008 to January 2012, while an IIROC registrant, Mr. Puri was registered in the United States with three Financial Industry Regulatory Authority member firms, without disclosing those registrations to his IIROC Member firm, thereby engaging in conduct unbecoming or detrimental to the public interest, contrary to IIROC Dealer Member Rule 29.1; and



Count 2:

- (b) On or about February to July 2011, Mr. Puri opened accounts for six clients in connection with the purchase of MobileBits Holdings Corp., an Over the Counter Bulletin Board stock, without conducting adequate due diligence into the opening of the accounts, contrary to IIROC Dealer Member Rules 29.1 and/or 1300.1(a).

The Hearing Panel imposed the following penalties on Mr. Puri:

- (a) A six-month suspension from registration, commencing December 10, 2013;
- (b) A fine in the amount of \$18,000 with respect to Count 1;
- (c) A fine in the amount of \$18,000 with respect to Count 2;
- (d) The fines totalling \$36,000 shall be payable in equal monthly instalments over a period of 12 months, commencing at the end of the period of suspension, namely June 11, 2014;
- (e) A requirement to re-write and pass the IIROC Conduct and Practices Handbook Examination as a condition of being re-registered by IIROC; and
- (f) Strict supervision for 12 months upon any re-registration with IIROC.

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

IIROC formally initiated the investigation into Mr. Puri's conduct in November 2011. The violations occurred while he was a Registered Representative with PWM Capital Inc., an IIROC-regulated firm. Mr. Puri 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.