

# NOTICE / NEWS RELEASE

*For immediate release*

## **Enforcement Notice**

### **Decision**

**17-0180**

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## **IN THE MATTER OF Laurentian Bank Securities Inc. – Settlement Accepted**

**September 7, 2017 (Montréal, Québec)** — On July 11, 2017, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement, which included disciplinary sanctions, between the IIROC Staff and Laurentian Bank Securities Inc. (LBS).

Laurentian Bank Securities Inc. admitted having failed to take reasonable steps to ensure that three of its representatives were proficient (90-day training program), and to establish and maintain a system that allowed adequate supervision of the business activities of one of its representatives, by neglecting to ensure compliance with one of the conditions of registration imposed on said representative by the Approval Committee of the Québec District Council.

Specifically, LBS admitted to the following violations:

- 1) Between March 2011 and September 2012, Laurentian Bank Securities Inc. failed to take reasonable steps to ensure that three of its representatives were proficient, in accordance with the requirements provided under IIROC Dealer Member Rule 2900.3 and, more specifically, in connection with the 90-day training program, contrary to IIROC Dealer Member Rule 18.3(b);
- 2) Between February 12, 2012 and April 28, 2013, Laurentian Bank Securities Inc. failed to establish and maintain a system that allowed adequate supervision of the business activities of one of its registered representatives, by neglecting to ensure compliance with one of the conditions of registration imposed on said representative by the Approval Committee of the Québec District Council, namely periodic visits to his place of work, contrary to IIROC Dealer Member Rule 38.1.



Under the terms of the Settlement Agreement, LBS agreed to pay a fine of \$200,000.

LBS also agreed to pay costs in the amount of \$20,000.

The Settlement Agreement, dated December 21, 2016, is available at

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=1D34F6356FA64066B467353687FF7F20&Language=en>

The Hearing Panel's decision, dated July 11, 2017, is available at

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=D6C91A919A1F4FE4841538B98CA1A721&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.

IIROC formally initiated the investigation into Laurentian Bank Securities Inc.'s conduct in December 2012. Laurentian Bank Securities Inc. is an IIROC-regulated firm.

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IIROC is the national self-regulatory organization which oversees all investment dealers and their trading activity in Canada's debt and equity markets. IIROC sets high quality regulatory and investment industry standards, protects investors and strengthens market integrity while supporting healthy Canadian 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 debt and 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.

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