



NEWS RELEASE

For immediate release

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Strengthening consumer protection by sending strong deterrent message

PEI grants IIROC authority to collect fines through Supreme Court

January 31, 2017 (Charlottetown, PEI) – The Prince Edward Island Office of the Superintendent of Securities and the Investment Industry Regulatory Organization of Canada (IIROC) are pleased to announce that IIROC has been granted new legal powers to strengthen its discipline of wrongdoers – important steps in enhancing consumer protection in the province.

Through an [authorization order](#), the Superintendent has given IIROC the authority to collect fines against individuals it has disciplined directly through the Supreme Court of Prince Edward Island. IIROC will also now be able to improve the cooperation of witnesses and evidence-gathering for its disciplinary hearings, which will enable IIROC to obtain the best evidence to prosecute wrongdoers.

With today's announcement, PEI joins Alberta and Quebec as provinces that have granted IIROC the ability to collect disciplinary fines directly through the courts. This new authority will enable IIROC to more efficiently and effectively collect fines from individuals it has sanctioned for breaking its rules of conduct and ethics. Alberta has also granted IIROC the authority to require the cooperation of witnesses at IIROC hearings held in that province.

Previously, IIROC required individual approval from the Superintendent of Securities for each individual case before it could file its enforcement decisions with the Supreme Court of PEI in order to collect fines against disciplined individuals who try to evade payment. The majority of IIROC prosecutions involve unsuitable investment recommendations which often result in financial loss to investors, many of which are seniors and/or vulnerable clients.

“Prince Edward Island is pleased to collaborate with IIROC to enhance investor protection to help to foster confidence in our capital markets and economy,” said Steve Dowling, PEI Superintendent of Securities. “We will continue to work to ensure those operating in financial services meet the highest established standards.”

“We commend the Provincial Government and the PEI Superintendent of Securities for demonstrating leadership by providing IIROC with important tools that strengthen our enforcement abilities and sending a strong deterrent message to potential wrongdoers. Our collaboration means that IIROC can be a more effective public interest regulator that holds wrongdoers accountable when they harm investors,” said IIROC President and CEO, Andrew Kriegler.

Last year, IIROC levied over \$4.5 million against firms and individuals nationally, but collected less than 20 per cent of fines against individuals. There is approximately \$30 million in unpaid fines against individuals owing to IIROC, dating back to 2008.

Monies collected by IIROC can only be used for initiatives that further investor protection, promote investor education and support financial literacy.

In provinces where provincial governments have already given IIROC the ability under their securities legislation to enforce penalties through the courts, such as Quebec and Alberta, IIROC’s collection rates are significantly higher than the national collection rate.

“IIROC continues to encourage provincial and territorial governments across the country to make legislative changes that will strengthen our ability to protect investors – Canadian investors and our capital markets deserve nothing less,” added Kriegler.

A [fact sheet](#) listing the jurisdictions where IIROC has legal authority is available at www.iiroc.ca

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 equity marketplaces.