

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice Decision 17-0165

For further information, please contact:

Enforcement Contact:

Elsa Renzella
Vice-President, Enforcement
416 943-5877
erenzella@iiroc.ca

Media Contact:

Paul Howard
Director, Communications & Public Affairs
416 646-7279
poward@iiroc.ca

IN THE MATTER OF James Alexander Moon, Michael Edward Comeau and Mitchell Torch – Settlement Accepted

August 3, 2017 (Toronto, Ontario) – On July 20, 2017, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement, with sanctions, between IIROC staff and James Alexander Moon, Michael Edward Comeau and Mitchell Torch.

Mr. Moon, Mr. Comeau and Mr. Torch admitted to conduct involving the purchase of securities by clients who may not have qualified as accredited investors, the supervision of those purchases and the handling of a client complaint.

Specifically, it was admitted that:

- (a) Between December 2010 and May 2011, Moon, Comeau and Torch acted contrary to Dealer Member Rule 1300.1(a) by failing to use due diligence to ensure that certain clients qualified as “accredited investors” as defined in National Instrument 45-106, thereby facilitating their purchase of securities offered pursuant to prospectus exemptions that were not available to these clients;
- (b) Between December 2010 and May 2011, Moon, as the Ultimate Designated Person of All Group, failed to properly supervise the activities of All Group and its employees to confirm that clients qualified as accredited investors in accordance with the prospectus exemption provisions of the Securities Act (Ontario), contrary to IIROC Dealer Member Rule 38.5; and



- (c) In or around April 2012, Moon failed to file a ComSet report and engage All Group's complaint handling procedure, contrary to IIROC Dealer Member Rule 3100 and Rule 2500B.

Pursuant to the Settlement Agreement, the following penalty was agreed to:

- (a) Mr. Moon: A fine in the amount of \$35,000;
- (b) Mr. Comeau: A fine in the amount of \$20,000; and
- (c) Mr. Torch: A fine in the amount of \$15,000.

Mr. Moon, Mr. Comeau and Mr. Torch also agreed to pay costs in the amount of \$6,000.

The Settlement Agreement is available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=BE9B6251598B4131842E9C8BA0C92D6A&Language=en>

The Hearing Panel's decision will be 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. Moon, Mr. Comeau and Mr. Torch's conduct in November 2012. The conduct occurred while they were registrants with the Toronto, Ontario branch of All Group Financial Services Inc., formerly an IIROC-regulated firm. Mr. Moon and Mr. Comeau are currently registered with Hampton Securities Inc. and Mr. Torch is currently registered with Aligned Capital Partners Inc., both IIROC Dealer Member firms.

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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 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.