

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice

Decision

17-0220

For further information, please contact:

Enforcement Contact:

Media Contact:

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

Andrea Zviedris
Manager, Media Relations
416-943-6906
azviedris@iiroc.ca

IN THE MATTER OF Christopher Rutledge – Settlement Accepted

November 23, 2017 (Toronto, Ontario) – On November 2, 2017, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement, with sanctions, between IIROC staff and Christopher Rutledge.

Mr. Rutledge admitted that he failed to fully and properly supervise individuals at his firm, and to ensure they identified, addressed, and disclosed potential or existing conflicts of interest.

Specifically, Mr. Rutledge admitted to the following violations:

- (a) From November 2013 to December 2015, Mr. Rutledge failed to fully and properly supervise individuals employed at Jacob Securities Inc. (JSI) to ensure their compliance with IIROC Rules and the written policies and procedures of JSI, contrary to IIROC Rules 38 and 2500; and
- (b) From November 2013 to December 2015, Mr. Rutledge failed to supervise Jacob Securities Inc. and its employees to ensure that they identified, addressed, and disclosed potential or existing conflicts of interest at the firm, contrary to IIROC Rule 42.

Pursuant to the Settlement Agreement, Mr. Rutledge agreed to the following penalty:

- (a) a global fine in the amount of \$25,000; and
- (b) a permanent ban from acting as Chief Compliance Officer.



Mr. Rutledge also agreed to pay costs in the amount of \$5,000.

The Settlement Agreement is available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=03F139AE4C524F44AED9F068F0D09758&Language=en>

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. Rutledge's conduct in October 2014. The violations occurred while he was Chief Compliance Officer and Supervisor at Jacob Securities Inc. Mr. Rutledge is no longer a registrant with an IIROC-regulated firm.

* * *

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.