

NOTICE / NEWS RELEASE

For immediate release

**Enforcement Notice
Discipline Decision
17-0177**

For further information, please contact:

Enforcement Contact:

Media Contact:

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

Paul Howard
Director, Communications & Public Affairs
416 646-7279
phoward@iroc.ca

Investment Advisor used clients' money for personal use

IIROC Issues Disciplinary Decision for Former Thunder Bay Advisor Vance Virgil Hoshizaki

August 28, 2017 (Toronto, Ontario) – Following a disciplinary hearing held on July 18 and 19, 2017, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) found that Vance Virgil Hoshizaki engaged in undisclosed outside business activities and personal financial dealings with clients and took money that was entrusted to him by clients for investment purposes and used it personally.

Mr. Hoshizaki collected a total of approximately \$536,000 from multiple clients to invest in private businesses. The investments were not recorded on the books of Mr. Hoshizaki's Dealer Member firm. He has neither returned nor accounted for the money that was entrusted to him by clients.

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

<http://docs.iroc.ca/DisplayDocument.aspx?DocumentID=C7F8630BF86746CFAA7ADA99876D56B9&Language=en>

Specifically, the Hearing Panel found that Mr. Hoshizaki committed the following violations:

- (a) Between 2002 and 2013, he engaged in undisclosed outside business activity without the consent of his firm, contrary to Dealer Member Rule 29.1, by raising capital for a private company that was planning to run an automotive business;
- (b) Between 2002 and 2013, he engaged in personal financial dealings with clients without the consent of his firm, contrary to Dealer Member Rule 29.1, by having clients deposit funds to a private company that he controlled for the purpose of being invested in another company that was planning to run an automotive service business;



- (c) Between March 2012 and July 2013, he engaged in undisclosed outside business activity without the consent of his firm, contrary to Dealer Member Rule 29.1, by running a personal online securities trading business;
- (d) In March 2012 and March 2013, he engaged in personal financial dealings with clients, contrary to Dealer Member Rule 29.1, by arranging to have clients deposit funds to a private company that he controlled for the purpose of being used for his personal online securities trading business;
- (e) Between March 2012 and June 17, 2013, he engaged in conduct that was unbecoming or detrimental to the public interest, contrary to Dealer Member Rule 29.1, by taking money that was entrusted to him by clients for investment purposes and using it for his personal use.

A separate hearing will be held to determine the penalty to be imposed on Mr. Hoshizaki, the date of which 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.

IROC formally initiated the investigation into Mr. Hoshizaki’s conduct in August 2013. The violations occurred while he was a Registered Representative with the Thunder Bay branch of Assante Capital Management Ltd., an IIROC-regulated firm. Mr. Hoshizaki 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 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.

-30-