

NOTICE / NEWS RELEASE

For immediate release

**Enforcement Notice
Hearing
18-0031**

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IIROC to Hold Disciplinary Hearing for Former Nanaimo Investment Advisor Kenneth Edward Smith

February 1, 2018 (Vancouver, BC) – An appearance has been scheduled before a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) for the purpose of setting a date for the disciplinary hearing in the matter of Kenneth Edward Smith.

The hearing concerns allegations that Mr. Smith engaged in undisclosed outside business activities; had undisclosed personal financial dealings with a client; placed undisclosed offbook transactions for a client; took money from an acquaintance to purportedly invest on her behalf; and failed to cooperate with an IIROC investigation.

The set date appearance is open to the public, unless the Hearing Panel orders otherwise. The date for the discipline hearing 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.

Set Date Appearance: Friday, February 23, 2018 at 10:00 a.m.

Location: Reportex Agencies
1010 – 925 West Georgia Street
Vancouver BC
V6C 3L2



Specifically, the allegations are that:

- a) Between May 2014 and August 2016, Mr. Smith engaged in an outside business activity without obtaining the approval of his Dealer Member, contrary to Dealer Member Rules 18.14 and 29.1.
- b) In or about February 2016, Mr. Smith engaged in personal financial dealings with his client contrary to Dealer Member Rule 43.1.
- c) Between June 2013 and November 2014, Mr. Smith placed off-book investments for his client without the knowledge or consent of his Dealer Member, contrary to Dealer Member Rule 29.1.
- d) In or around June 2015, Mr. Smith took \$10,000 from a former client in order to invest the funds on her behalf, without the knowledge or consent of his Dealer Member, contrary to Dealer Member Rule 29.1.
- e) On May 2017, Mr. Smith failed to cooperate with IIROC staff who were conducting an investigation, contrary to Consolidated Rule 8100, section 8104.

IIROC formally initiated the investigation into Mr. Smith's conduct in January 2017. The alleged violations occurred while he was a Registered Representative with Queensbury Securities Inc., an IIROC-regulated firm, in Nanaimo, BC. Mr. Smith is no longer a registrant with an IIROC-regulated firm.

The Notice of Hearing and Statement of Allegations which sets out the allegations is available at: <http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=5E104A06D041449C98C5EC6F7A742BFA&Language=en>

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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