

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice

Decision

18-0008

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IIROC Fines Former London Investment Advisor Anne Milne

Clients suffer losses totaling over \$100,000

January 8, 2018 (Toronto, Ontario) – On December 20, 2017, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement, with sanctions, between IIROC staff and Anne Milne.

Ms. Milne admitted that she failed to use due diligence to learn and remain informed of the essential facts relative to leveraged exchange traded funds (“LETFs”), and ensure that her recommendations were suitable for her clients. LETFs are often described as high-risk speculative investments; however, Ms. Milne’s clients had little or no tolerance to these types of risk.

Specifically, Ms. Milne admitted to the following violations:

- (a) Between November 2009 and May 2016, Ms. Milne failed to use due diligence to learn and remain informed of the essential facts relative to leveraged Exchange-Traded Funds (“LETFs”), contrary to Dealer Member Rule 1300.1(a).
- (b) Between November 2009 and May 2016, Ms. Milne failed to use due diligence to ensure that her recommendations were suitable for her clients, contrary to Dealer Member Rule 1300.1(q).

Pursuant to the Settlement Agreement, Ms. Milne agreed to the following penalty:

- (a) a global fine of \$15,000, inclusive of disgorgement of commissions (approximately \$3,000);



- (b) a suspension from approval in any registered capacity for 6 months;
- (c) a requirement to successfully rewrite the Conduct and Practices Handbook course prior to seeking re-registration; and
- (d) one month of close supervision upon any re-approval.

Ms. Milne also agreed to pay costs in the amount of \$1,500.

The Settlement Agreement is available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=5D5A201F1F4B47A690D11DED70984B0E&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 Ms. Milne's conduct in September 2016. The conduct occurred while she was a Registered Representative with the London, Ontario branch of Industrial Alliance Securities Inc. Ms. Milne is no longer a registrant with an IIROC-regulated firm.

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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.