

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice

Decision

18-0139

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Former Winnipeg Financial Advisor Edward Peter Bodnarchuk to Face Penalties

Clients suffered significant losses

July 20, 2018 (Winnipeg, Manitoba) – Following a disciplinary hearing held on May 7 – 11, 2018, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) found that Edward Peter Bodnarchuk failed to know two clients, made unsuitable recommendations, engaged in discretionary trading, and failed to notify his employer of an existing, or potential, conflict of interest.

The Hearing Panel's reasons for the decision on liability, dated June 22, 2018, will be available at: <https://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=F6BAD8F0E86C45898FE5AE7B7838998B&Language=en>

A separate hearing will be held to determine the penalty to be imposed on Mr. Bodnarchuk, the date of which will be made available at www.iiroc.ca.

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

- a) Between July of 2008 and November of 2012, Mr. Bodnarchuk failed to use due diligence to learn and remain informed of the essential facts relative to a client, contrary to Dealer Member Rule 1300.1 (a);
- b) Between July of 2008 and November of 2012, Mr. Bodnarchuk made unsuitable recommendations for the account of a client, contrary to Dealer Member Rule 1300.1 (q);
- c) Between July 2008 and November of 2012, Mr. Bodnarchuk made discretionary trades in the accounts of a client, contrary to Dealer Member Rule 1300.4;



- d) Between August of 2010 and April of 2016, Mr. Bodnarchuk failed to use due diligence to learn and remain informed of the essential facts relative to a client, contrary to Dealer Member Rule 1300.1 (a);
- e) Between August of 2010 and April of 2016, Mr. Bodnarchuk made unsuitable recommendations for the account of a client, contrary to Dealer Member Rule 1300.1 (q);
- f) Between August of 2010 and April of 2016, Mr. Bodnarchuk made discretionary trades in the accounts of a client, contrary to Dealer Member Rule 1300.4; and
- g) Between October of 2010 and December 2012, Mr. Bodnarchuk failed to disclose to his firm activities that fell outside the scope of his duties as a Registrant that created a real or potential, conflict of interest between Mr. Bodnarchuk and his clients, contrary to Dealer Member Rule 29.1.

IIROC formally initiated the investigation into Mr. Bodnarchuk's conduct in October 2013. The alleged violations occurred while he was a Registered Representative with the Winnipeg branch of National Bank Financial Ltd., and the Winnipeg branch of PI Financial Corp., both of which are IIROC-regulated firms. Mr. Bodnarchuk is no longer a registrant with an IIROC-regulated firm.

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.

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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 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.