

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice

Decision

18-0133

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IIROC Fines M Partners Inc. and UDP Steven Isenberg

July 12, 2018 (Toronto, Ontario) – On June 28, 2018, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement, with sanctions, between IIROC staff and M Partners Inc. (M Partners) and Steven Isenberg.

M Partners admitted it failed to comply with its trading supervision obligations and failed to maintain a proper audit trail. Mr. Isenberg admitted that he did not take adequate steps to supervise M Partners' compliance with its regulatory obligations regarding trading supervision and the maintenance of a proper audit trail, and failed to promote compliance at M Partners.

Specifically, M Partners and Mr. Isenberg admitted that:

- (a) Between February 2015 and August 2016, M Partners:
 - i. failed to comply with its trading supervision obligations, contrary to UMIR 7.1; and
 - ii. failed to maintain a proper audit trail by not recording specific information relating to orders as required by Part 11 of the Trading Rules (National Instrument 23-101), contrary to UMIR 10.11(1).
- (b) Between February 2015 and August 2016, Steven Isenberg, as Ultimate Designated Person ("UDP"), did not take adequate steps to supervise M Partners' compliance with its regulatory obligations regarding trading supervision and the maintenance of a proper audit trail and failed to promote compliance at M Partners, contrary to IIROC Dealer Member Rule 38.5(c).



Pursuant to the Settlement Agreement, M Partners and Mr. Isenberg agreed to the following penalty:

- (a) M Partners will pay a fine of \$120,000; and
- (b) Mr. Isenberg will pay a fine of \$70,000.

M Partners also agreed to pay costs in the amount of \$10,000.

The Settlement Agreement is available at

<https://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=E7D656FD611948C89EB2682FE0277FEB&Language=en>

IIROC formally initiated the investigation into M Partners' conduct in March 2015. M Partners is an IIROC-regulated firm.

IIROC formally initiated the investigation into Mr. Isenberg's conduct in April 2015. The conduct occurred while he was the Ultimate Designated Person for M Partners, and he continues to be registered in that capacity.

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.

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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.

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