

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice Hearing 18-0058

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

March 15, 2018 (Vancouver, BC) – A penalty hearing has been scheduled before a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) in the matter of Kenneth Edward Smith.

The Hearing Panel will consider the penalty to be imposed as a result of the Panel's finding at the Liability Hearing held on February 23, 2018 that Mr. Smith acted contrary to IIROC's Dealer Member Rules. Specifically, Mr. Smith was found to have:

- (a) engaged in an outside business activity without obtaining the approval of his employer;
- (b) engaged in personal financial dealings with his client;
- (c) placed off-book investments for his client, without the knowledge or consent of employer;
- (d) taken \$10,000 from former client in order to invest the funds on her behalf, without the knowledge or consent of employer; and
- (e) failed to cooperate with IIROC staff who were conducting an investigation.

The penalty hearing is open to the public, unless the Hearing Panel orders otherwise. The decision of the Hearing Panel 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.

Hearing Date: May 10, 2018, 10:00 a.m.
Location: Reportex Agency
1010 – 925 West Georgia Street
Vancouver, BC

IIROC formally initiated the investigation into Mr. Smith’s conduct in January 2017. The 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.

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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.