

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice

Decision

18-0155

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IIROC Fines Toronto Financial Advisor David Durno

Senior clients affected

August 9, 2018 (Toronto, Ontario) – On July 30, 2018, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement, with sanctions, between IIROC staff and David Durno.

Mr. Durno admitted he did not address his clients' best interest when he implemented an active trading strategy in two senior clients' accounts. This strategy generated large commissions for himself and his firm but reduced client profits.

Specifically, Mr. Durno admitted to the following violation:

- (a) Between 2010 and 2015, Mr. Durno failed to adequately consider and address the best interests of two clients, contrary to Dealer Member Rule 29.1 and, after March 26, 2012, Dealer Member Rule 42.2.

Pursuant to the Settlement Agreement, Mr. Durno agreed to the following penalty:

- (a) A fine of \$150,000, inclusive of disgorgement; and
- (b) Close supervision until December 2018.

Mr. Durno also agreed to pay costs in the amount of \$5,000.

The Settlement Agreement is available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=1A7040833EC54A8BBB55D19F83A921E6&Language=en>



IIROC formally initiated the investigation into Mr. Durno's conduct in May 2016. The conduct occurred while he was a Registered Representative with the Toronto, Ontario branch of TD Waterhouse Canada Inc., an IIROC-regulated firm. Mr. Durno is currently registered with Canaccord Genuity Corp., an IIROC-regulated firm.

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 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.

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