

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice Decision 16-0101

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IN THE MATTER OF Richard Stanford Smith – Settlement Accepted

May 12, 2016 (Toronto, Ontario) – On April 20, 2016, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement, with sanctions, between IIROC staff and Richard Stanford Smith.

Mr. Smith admitted that he exercised discretion as to the timing of the purchase of certain securities in certain client accounts.

Specifically, Mr. Smith admitted to the following violation:

(a) From January 1, 2013 until August 28, 2013, (the “Relevant Period”) Richard Smith effected discretionary trades in 35 accounts of 21 individual clients, without the accounts having been approved and accepted as discretionary accounts, contrary to IIROC Dealer Member Rule 1300.4.

Pursuant to the Settlement Agreement, Mr. Smith agreed to the following penalties:

- (a) A fine in the sum of \$10,000;
- (b) Close supervision for a period of 12 months upon becoming re-employed in the securities industry; and
- (c) To rewrite the Conduct and Practices Handbook within six months of becoming re-employed in the securities industry.

Mr. Smith also agreed to pay costs in the amount of \$1,500.



The Settlement Agreement is available at

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=43AC8DEDFCF149D8ADD17A7195A364C4&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 Mr. Smith's conduct in November 2014. The conduct occurred while he was a Registered Representative with the Vaughan branch of BMO Nesbitt Burns, an IIROC-regulated firm. Mr. Smith is currently not 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 maintaining efficient and competitive 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.