



NEWS RELEASE

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Provincial amendments send strong deterrent message

IIROC, CARP and Prosper Canada credit Ontario Budget measures for strengthening investor protection

April 27, 2017 (Toronto, Ontario) – Measures included in today’s Ontario budget will help strengthen investor protection and send a strong message of deterrence to those who would abuse the trust of their clients, say representatives of the Investment Industry Regulatory Organization of Canada (IIROC), CARP and Prosper Canada.

The proposed changes to the Ontario Securities Act contained in the budget will give IIROC the legal authority to pursue the collection of disciplinary fines directly through the courts. As a result, wrongdoers in Ontario will no longer be able to avoid payment simply by leaving the securities industry and abandoning their registration with IIROC.

Similar authority to enforce fines exists in Alberta, Prince Edward Island and Quebec.

“We welcome these important amendments as they will add teeth to existing IIROC rules,” said IIROC President and CEO Andrew J. Kriegler. “As a result of the Ontario Government’s action, IIROC will be able to more effectively enforce its rules and hold wrongdoers accountable if they harm investors.”

“For investors who want to protect their hard-earned savings, this sends an important signal that those who abuse their trust will pay for their wrongdoing,” said CARP’s VP, Advocacy Wanda Morris.

“Strong consumer protection depends on effective powers of enforcement, so these are very welcome measures – particularly for more vulnerable investors who are often targeted and will benefit from their deterrent effect,” said Prosper Canada’s CEO Elizabeth Mulholland.

There is nearly \$20 million in unpaid fines owing to IIROC in Ontario dating back to 2008 and a total of almost \$32 million outstanding across the country. In 2016, IIROC collected approximately 8 per cent nationally of the fines owing by individuals who have breached the regulator’s rules by, for example, misappropriating funds from clients, falsely endorsing client signatures and/or making unsuitable recommendations to investors, many of them seniors who have suffered significant financial losses.

IIROC uses proceeds from fines to finance investor protection, investor education and financial literacy initiatives.

A [fact sheet](#) listing the jurisdictions where IIROC has legal authority is available at www.iiroc.ca.

About IIROC

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.

About CARP

CARP (formerly known as the Canadian Association of Retired Persons) is a national, non-partisan, non-profit organization that advocates for financial security and improved health care for Canadians as we age. With over 300,000 members and local chapters across Canada, CARP plays an active role in the creation of policy and legislation that impacts older Canadians. CARP works closely with all levels of government and collaborates with other organizations to advocate on health and financial issues.

About Prosper Canada

Prosper Canada is a national charity dedicated to expanding economic opportunity for Canadians living in poverty through program and policy innovation. As a leading champion of financial empowerment, Prosper Canada works with government, business and community partners to develop and promote financial policies, programs and resources that transform lives and foster the prosperity of all Canadians.