



NEWS RELEASE

For immediate release

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Legislative changes will strengthen IIROC investigations & prosecutions

IIROC, Prosper Canada and CARP Congratulate Alberta Government for strengthening investor protection

May 8, 2017 (Edmonton, Alberta) – The Investment Industry Regulatory Organization of Canada (IIROC), Prosper Canada and CARP today praised the Government of Alberta for introducing legislation to strengthen investor protection by giving IIROC more effective tools to investigate and prosecute those who harm investors.

Minister of Finance Joe Ceci today introduced legislative amendments to the Securities Act (Alberta) that will enable IIROC to more effectively collect evidence during investigations and prosecute wrongdoers. In addition, IIROC employees, officers, directors and disciplinary hearing adjudicators will now have protection against lawsuits while acting in good faith when carrying out IIROC's public interest mandate to protect investors.

IIROC exercises its oversight of Canada's investment industry and carries out regulatory responsibilities given to it under Recognition Orders from the Alberta Securities Commission (ASC) and other provincial and territorial securities commissions across the country. With these new authorities IIROC will receive the same protection as that afforded to the ASC.

"Our government is working to make life better for Albertans with practical changes that help keep their investments safe. It's vitally important that our regulatory partners have the tools they need to enforce our province's securities laws so Albertans can be confident when they entrust their money with investment dealers, advisors and their representatives," said Joe Ceci, President of Treasury Board, and Minister of Finance.

“We thank the Minister of Finance, the Government of Alberta and the Alberta Securities Commission for being at the forefront of investor protection in Canada,” said IIROC President and CEO Andrew J. Kriegler. “With these legislative changes, Alberta becomes the first province in Canada to provide IIROC with all the tools necessary to carry out our responsibilities as a public interest regulator determined to bring wrongdoers to justice.”

“We support these amendments because financial predation is devastating for victims and all Albertans need effective protection from financial fraud and wrongdoing to achieve financial health and security,” said Prosper Canada CEO Elizabeth Mulholland. “We applaud the government for strengthening IIROC’s ability to investigate and prosecute wrongdoers in Alberta and hope other provinces will follow suit so that all Canadians can enjoy the same protection.”

“I’ve heard too many heart-wrenching stories of individuals who lost their life savings because they trusted the wrong person: an unscrupulous financial advisor. Today’s changes will help hold wrongdoers to account. We welcome today’s announcement as a critical step in bringing rule-breakers to justice and deterring wrongdoing, thus better protecting investors in this province. We look forward to additional, practical steps like this from the Government of Alberta,” said CARP’s VP of Advocacy Wanda Morris.

In addition to being the first province in Canada to provide IIROC with investigative authority and legal immunity, Alberta was the first jurisdiction in the country to grant IIROC the legal ability to enforce through the courts its fines against individuals and firms that engage in misconduct.

IIROC investigates and prosecutes firms and investment advisors who breach the regulator’s rules by, for example, misappropriating funds from clients, falsely endorsing client signatures and/or making unsuitable recommendations to investors, commonly seniors and vulnerable investors who suffer significant financial losses. In 2016, IIROC completed 138 investigations and 46 prosecutions with more than \$3.5 million in sanctions imposed coast-to-coast.

“Strong investor protection is a critical component of our mandate, and we support meaningful and practical regulatory advances such as this that can have a real impact on protecting Albertans from financial misconduct,” said Stan Magidson, Chair and Chief Executive of the ASC.

“We appreciate the support of the ASC, which shares our deep commitment to investor protection,” added Kriegler. “By working together with the Alberta Government, the ASC and organizations like CARP and Prosper Canada and its delivery partners in this province, we can more effectively protect vulnerable investors. Albertans should be confident that firms and individuals will comply with IIROC’s regulatory rules and that any breach of those rules will result in serious consequences.”

[Video quotes from IIROC's CEO](#) and a [statement from Prosper Canada's CEO](#) are available on youtube at: <http://bit.ly/iiroc-ocrcvm>.

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 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. Its program delivery partners in Alberta include E4C, Edmonton and Momentum, Calgary.

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.

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