

NEWS RELEASE

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IIROC secures greater enforcement authority in Northwest Territories, Nunavut and Yukon

The three territories join seven provinces in strengthening investor protection

November 2, 2018 (Toronto, Ontario) – The Investment Industry Regulatory Organization of Canada (IIROC), today announced that the Governments of the Northwest Territories, Nunavut and Yukon have granted IIROC with new legal authority that will protect investors by strengthening its ability to discipline wrongdoers.

Through authorization orders, the Superintendents of Securities of the three Territories have given Canada’s public-interest regulator the authority to collect fines against individuals it has disciplined directly through the Supreme Courts in each jurisdiction.

In addition to fine collection, the Territories’ authorization orders also improve IIROC’s ability to improve cooperation with third parties during disciplinary hearings. The Territories join seven provinces that have taken concrete steps over the past year to enhance [IIROC’s enforcement toolkit](#): Nova Scotia, Prince Edward Island, Quebec, Ontario, Manitoba, Alberta and British Columbia.

“We commend the Governments of the Northwest Territories, Nunavut and Yukon, as well as their Superintendents of Securities, for providing IIROC with these important investor protection tools,” says IIROC Senior Vice-President of Enforcement and Registration, Elsa Renzella. “We are now in a better position to enforce our disciplinary actions, holding wrongdoers accountable and sending a strong message of deterrence to those who might consider taking advantage of investors. The message is clear: if you abuse your clients’ trust, you will face serious consequences.”

Last year, IIROC levied over \$4.4 million in penalties against firms and individuals nationally, but collected only 16 per cent of fines against individuals. However, where provincial governments have given IIROC the ability to enforce penalties through the courts, IIROC’s collection rates over time are significantly higher than the national collection rate. Monies collected by IIROC are used for initiatives that further investor protection, promote investor education and support financial literacy.

Last year, 45 per cent of IIROC prosecutions involved unsuitable investment recommendations, which often result in financial loss to senior or vulnerable investors. Seniors were involved in 30 per cent of cases prosecuted by IIROC in 2017.

About IIROC

IIROC is the national self-regulatory organization that 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 does not rely on any government funding to fulfill its mandate to protect investors and support healthy capital markets but does require legislative support to ensure it has the enforcement tools needed to do that job effectively.