

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice

Decision

18-0110

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IIROC Permanently Bans Former Nanaimo Investment Advisor Kenneth Edward Smith

June 5, 2018 (Vancouver, BC) – Following a penalty hearing held on May 10, 2018, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) imposed the following penalty on Kenneth Edward Smith:

- (a) a \$125,000 fine; and
- (b) a permanent prohibition from approval

Mr. Smith is also required to pay costs in the amount of \$20,000.

The Hearing Panel's reasons for the penalty decision will be available at www.iiroc.ca.

In an earlier decision on liability dated April 6, 2018, the Hearing Panel found that Mr. Smith:

- (a) engaged in an outside business activity without obtaining the approval of his employer;
- (b) engaged in personal financial dealings with his client;
- (c) placed off-book investments for his client, without the knowledge or consent of employer;
- (d) took \$10,000 from a former client in order to invest the funds on her behalf, without the knowledge or consent of his employer; and
- (e) failed to cooperate with IIROC staff during their investigation.



IIROC formally initiated the investigation into Mr. Smith's conduct in January 2017. The violations occurred while he was a Registered Representative with Queensbury Securities Inc., an IIROC-regulated firm, in Nanaimo, BC. Mr. Smith is no longer a registrant with an IIROC-regulated firm.

The decision on Liability can be found at:

http://www.iiroc.ca/Documents/2018/ae7968aa-6e15-495a-930a-97772d9d560e_en.pdf.

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 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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