

NEWS RELEASE

For immediate release

For further information, please contact:

Andrea Zviedris
Manager, Media & Public Affairs
416-943-6906
azviedris@iiroc.ca

IIROC Enforcement Report highlights progress made in enhancing investor protection

Suitability, seniors and vulnerable investors continue to represent majority of cases

May 11, 2020 (Toronto, Ontario) – The Investment Industry Regulatory Organization of Canada (IIROC) today released its annual [Enforcement Report](#), which includes highlights of key cases prosecuted and the progress in enhancing its legal authority from coast to coast.

Highlights

In 2019, IIROC:

- secured [stronger legislation](#) in New Brunswick, which joined 8 other provinces and all 3 territories in giving IIROC improved ability to protect investors by holding wrongdoers accountable for their actions
- saw the number of disciplinary hearings initiated nearly double – from 8 in 2018 to 14 in 2019, resulting from an increase in contested matters, some of which are still ongoing
- completed 104 investigations, and prosecuted 28 individuals and 8 firms
- suspended 14 individuals and permanently barred 3 individuals
- imposed total sanctions of \$1.8 million against IIROC-regulated firms, marking the highest amount since 2013
- imposed total sanctions of nearly \$2 million against individuals
- collected 29 per cent of fines against individuals and 97 per cent of fines against firms
- investigated and prosecuted cases where suitability represented the largest volume, with seniors and vulnerable investors representing one-quarter of cases reviewed and nearly a third of all prosecutions

“IIROC has achieved success in securing enhanced authority in nearly all provinces and territories,” says Elsa Renzella, IIROC’s Senior Vice-President, Registration and Enforcement. “We plan to continue our pursuit for improved legal authority – and will also take steps toward advancing our new initiatives to give IIROC a tailored, proportionate disciplinary response and to better support investors who suffer losses.”

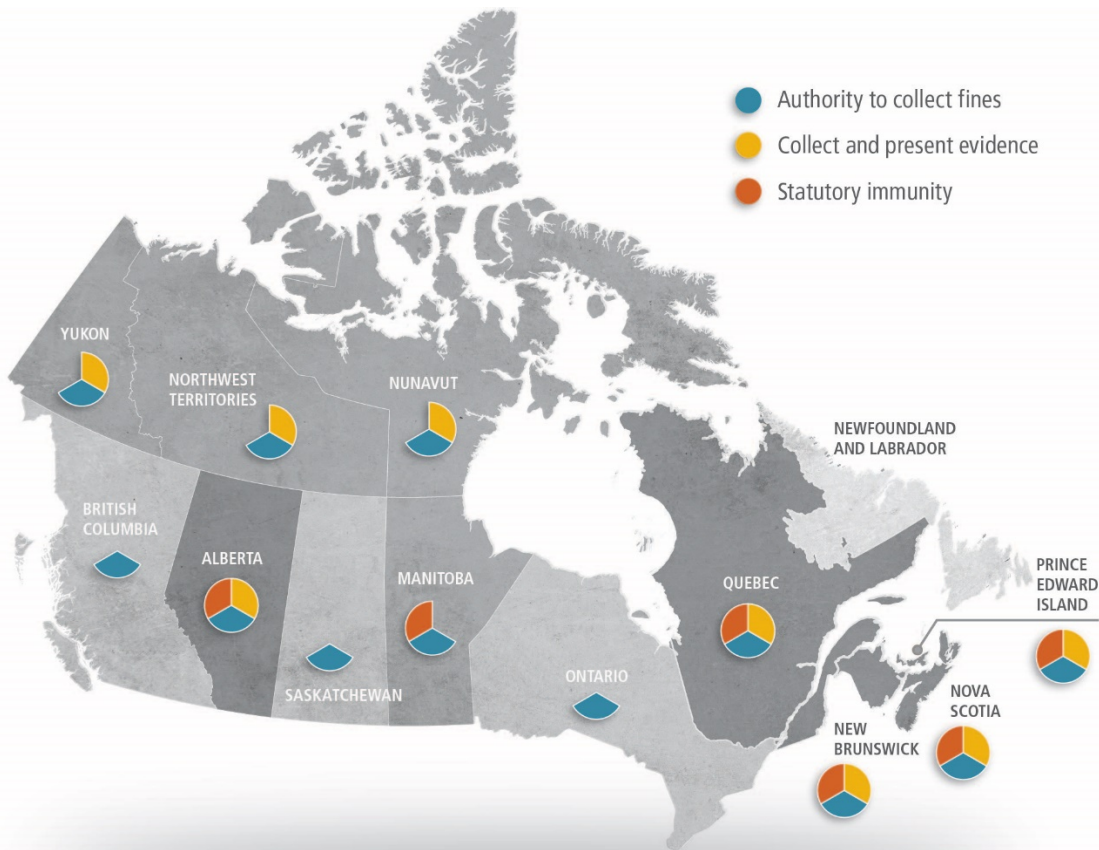
IIROC continues to build upon its extensive public consultation on two new proposed disciplinary programs: a Minor Contravention Program (MCP) and Early Resolution Offers (ERO). Over the past two years, IIROC has received comment letters and held focus groups with various stakeholders, including investor advocates. Additionally, IIROC conducted a national survey of over 1,000 investors.

Based on feedback, IIROC revised its proposed programs and published a second Request for Comment in 2019. Three significant changes included making firms ineligible for the MCP, increasing fines for individuals, and reviewing all MCP cases by a one-person hearing panel. IIROC intends to publish its response to comments and proposed next steps later this year.

Additional resources

- IIROC’s [Advisor Report](#) offers information about the qualifications and (if any) disciplinary history of advisors employed by IIROC-regulated firms.
- IIROC’s [Unpaid Fines Report](#) provides the most recent list of individuals who have not paid the full amount of fines and costs imposed as a result of disciplinary actions.
- IIROC’s [Enforcement](#) section of its website offers recent announcements and a calendar of disciplinary hearings, among other important information.

Enforcement’s current legal authority and protections



About IIROC:

IIROC is the pan-Canadian 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 more than 170 Canadian investment dealer firms and their more than 29,000 registered employees, the majority of whom are commonly referred to as investment advisors. IIROC also sets and enforces market integrity rules regarding trading activity on Canadian debt and equity marketplaces.

-30-