

IIROC Enforcement Report charts achievements in securing stronger legislation to protect investors across Canada

Additional five provinces and three territories give regulator improved legal authority, seniors involved in one-third of enforcement cases

May 16, 2019 (Toronto, Ontario) – The Investment Industry Regulatory Organization of Canada (IIROC) today published its annual [Enforcement Report](#), highlighting progress made to enhance the regulator’s enforcement toolkit that protects Canadian investors and the integrity of Canada’s capital markets.

Highlights

In 2018, IIROC:

- worked diligently to obtain greater legal authority in another five provinces and three territories. Together with previous legislative amendments in 2017, IIROC now has [improved legal authority](#) in eight provinces and three territories.
- completed 127 investigations
- prosecuted 42 individuals and 10 firms
- suspended 21 individuals and permanently barred 5 individuals from working at an IIROC-regulated firm in a registered capacity
- terminated 2 firms
- imposed total sanctions of \$3.2 million against individuals and nearly \$1 million against IIROC-regulated firms
- collected 14.7 per cent of fines against individuals and 85.3 per cent of fines against firms.
- continued to investigate and prosecute enforcement cases involving seniors. Suitability represented the greatest portion of cases, and seniors were involved in one-third of cases reviewed and approximately a quarter of all prosecutions

“Over the past two years, IIROC has taken great strides in providing Canadian investors with a stronger and more consistent level of protection regardless of where they live,” says Elsa Renzella, IIROC’s Senior Vice-President, Registration and Enforcement. “These legislative changes have made a meaningful contribution to investor protection because, where IIROC has greater enforcement authority, advisors know they are accountable for their actions and can’t avoid penalties simply by leaving the industry.”

Another significant highlight is IIROC’s extensive public consultation on two new proposed disciplinary programs aimed at providing more flexibility and efficiency when addressing wrongdoing: a minor contravention program and early resolution offers. From the onset, it was a key goal for IIROC to conduct a comprehensive, multi-phased consultation with our stakeholders. We did this by issuing a request for comment, holding roundtables with industry representatives and investor advocates, and by surveying over 1,000 Canadians from IIROC’s online Investor Panel. In April 2019, IIROC published a [request for further public comment](#) reflecting adjustments made to the original proposals based on the input received through the consultation process.

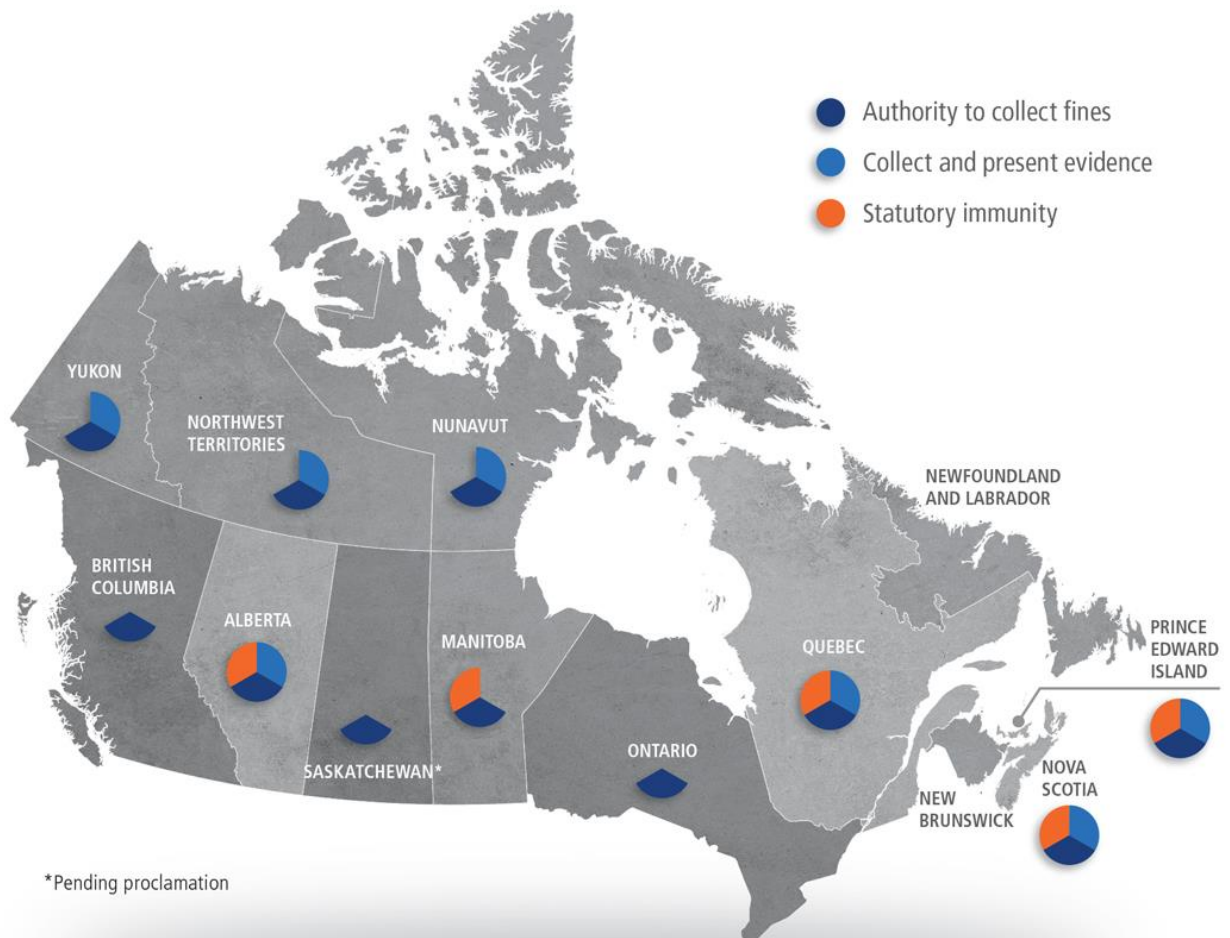
Additional Resources

- Investors can search IIROC's [Unpaid Fines Report](#) for the most recent list of individuals who have not paid the full amount of fines and costs imposed as a result of disciplinary actions.
- All information about disciplinary proceedings relating to current and former member firms is available in the [Enforcement](#) section of IIROC's website.
- Background information regarding the qualifications and (if any) disciplinary history of advisors employed by IIROC-regulated firms is available free of charge through [IIROC AdvisorReport](#).

Graphics

Enforcement's current legal authority and protections

IIROC has made significant progress in the following jurisdictions to strengthen investor protection:



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 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.

For further information, please contact:

Andrea Zviedris
Manager, Media Relations and Public Affairs
416-943-6906
azviedris@iroc.ca

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