Re Echelon & Burns

IN THE MATTER OF:

The Investment Dealer and Partially Consolidated Rules

and

Echelon Wealth Partners Inc. (now Ventum Financial Corp.)

and

Stephen Burns

2025 CIRO 38

Canadian Investment Regulatory Organization
Hearing Panel (Ontario District)

Heard: June 25, 2025 in Toronto, Ontario (via videoconference)
Decision: June 25, 2025
Reasons for Decision: July 30, 2025

Hearing Panel:
Marvin J. Huberman, Chair, Debbie Archer and Deborah Leckman
Appearances:
Francis Larin and Michael Mantle, Senior Enforcement Counsel
Rohit Kumar, Geoff Clarke and Lindsay Moffatt, for Echelon Wealth Partners Inc. (now Ventum Financial Corp.) and Stephen Burns

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REASONS FOR DECISION ON ACCEPTANCE OF SETTLEMENT

Settlement Agreement

[1] On June 25, 2025, Senior Enforcement Counsel (**Staff**) for the Canadian Investment Regulatory Organization (**CIRO**) and Counsel for Echelon Wealth Partners Inc. (**Echelon**), now Ventum Financial Corp. (referred to herein as **Ventum**) and Stephen Burns (the **Respondents** or **Echelon** / **Ventum** and **Burns**) submitted a Settlement Agreement between Staff of CIRO and the Respondents, signed on behalf of the parties on June 12 and 13, 2025 (**Settlement Agreement**), to the Hearing Panel for acceptance or rejection pursuant to Sections 8215 and 8428 of the Investment Dealer and Partially Consolidated Rules (**IDPC Rules**). At the conclusion of the settlement hearing, which was conducted via videoconference, the Hearing Panel accepted the Settlement Agreement with written reasons to follow. These are our written reasons for acceptance of the Settlement Agreement, a copy of which is attached below.

Facts

[2] A detailed account of the relevant facts of this case are set out in Part III of the Settlement Agreement, which contains the Agreed Facts.

Contraventions

[3] The Respondents admit to the following contraventions:

i) Between July 2018 and June 2022, Echelon and Burns failed to use due diligence to learn and remain informed of the essential facts relative to the accounts and orders of four foreign broker-dealers, contrary to Dealer Member Rule 1300.1 (prior to January 1, 2022) and IDPC Rule 3200 (after January 1, 2022);

ii) Between July 2018 and June 2022, Echelon and Burns failed to act as gatekeepers in relation to the trading activity in US over-the-counter (**OTC**) securities by the foreign broker dealers, contrary to IDPC Rule 1400; and

iii) Between July 2018 and June 2022, Echelon failed to establish, maintain, and enforce an adequate system of controls and supervision in relation to US OTC trading, contrary to Dealer Member Rule 38.1 (prior to January 1, 2022) and IDPC Rule 3900 (after January 1, 2022).

Agreed Sanctions

[4] The Respondents have agreed to the sanctions set out in the Settlement Agreement, namely:

Echelon / Ventum

i) fine in the amount of $500,000,
ii) disgorgement in the amount of $1,700,000,
iii) costs in the amount of $100,000, and
iv) implement the remedial measures described in paragraph 78 of the Settlement Agreement.

Stephen Burns

i) fine in the amount of $100,000,
ii) a suspension of approval in any capacity for six (6) months, and
iii) costs in the amount of $25,000.

Important Considerations

[5] CIRO Enforcement Staff (**Staff**) submitted that it is in the public interest for this Hearing Panel to accept the Settlement Agreement. We agree for the following reasons.

[6] The Settlement Agreement and the agreed sanctions are consistent with CIRO's commitment to protect investors, provide efficient and consistent regulation, and build the trust of Canadians in financial regulation and the people managing their investments.

[7] It is well-established that hearing panels should not reject a settlement agreement unless the sanctions proposed are "clearly falling outside a reasonable range of appropriateness" given the conduct at issue.[1] We find that the sanctions agreed to in the Settlement Agreement fall within this "reasonable range" and are consistent with the public interest in the context of the present case.

[1] *Milewski (Re),* [1999] I.D.A.C.D. No. 17 at p. 9.

[8] In *Re Lilly*, the hearing panel aptly acknowledged that since "... no case has the same facts and circumstances, it is an art not a science, (adjusting for particular facts and circumstances) to determine what is an acceptable range for penalties in a situation..."[2]

[9] In *Re Melville*, the hearing panel reiterated the logic of previous hearing panels, noting that "...the settlement process is an important one which should be 'encouraged and supported'."[3]

[10] The CIRO Sanction Guidelines (the **Guidelines**) further assist decision-makers in determining whether the proposed sanctions in a settlement agreement fall within the "reasonable range of appropriateness", referred to above. The Guidelines set out general principles that provide a framework that should be considered in connection with the imposition of sanctions, as well as the key factors that a hearing panel should consider in determining an appropriate sanction.

[11] In *Re Bereskin*, it was noted that the hearing panel should consider whether the proposed sanctions:

> "...strike a reasonable balance between fairness to the Respondent in the circumstances and the need to protect the investing public, the industry membership, the integrity of the discipline process, the integrity of the securities markets and prevention of a repetition of the offence."[4]

[12] Having carefully considered the foregoing, we are of the view that the proposed sanctions in the Settlement Agreement are within a reasonable range of appropriateness, they give effect to the Guidelines and strike a reasonable balance between the factors described above in *Re Bereskin*.

The Role of the Hearing Panel in Settlement Hearings

[13] The hearing panel in *Milewski (Re)* affirmed that:

> A District Council considering a settlement agreement will tend not to alter a penalty that it considers to be within a reasonable range, taking into account the settlement process and the fact that the parties have agreed. It will not reject a settlement unless it views the penalty as clearly falling outside a reasonable range of appropriateness. Put another way, the District council will reflect the public interest benefits of the settlement process in its consideration of specific settlements.[5]

[14] The hearing panel in *Deutsche Bank Securities Ltd. (Re)* effectively expressed its duty in a settlement hearing as follows:

> It is clear from jurisprudence emanating from the courts and from Hearing Panels of IIROC, Investment Dealers Association and the Mutual Fund Dealers Association, that our task is not to decide whether, in this case, we would have arrived at the same decision as that reached by the parties. Rather, our duty is to determine whether the penalty is a reasonable one and that it meets the objectives of the disciplinary process which are to maintain the integrity of the investment industry...[6]

[15] In *Re Wyatt*, the hearing panel outlined the differences between how a contested hearing is considered versus a settlement hearing. The hearing panel noted that:

> "...unlike a panel in a contested hearing that must set the actual penalties that appear appropriate to it, a panel in a hearing to consider a settlement agreement has only two options under IIROC rules: to

[2] 2020 IIROC 21, at para. 42.
[3] 2014 IIROC 51, at para. 10.
[4] 2010 IIROC 37, at para. 5.
[5] *Supra*, footnote 1.
[6] 2013 IIROC 07, at para. 9.

> accept the agreed settlement with its penalties because the panel agrees that the penalties are acceptable, or to reject the agreed settlement because the agreed penalties are not acceptable or because the panel has not been given enough information for it to come to a determination that the agreed penalties are acceptable.[7]

The Importance of the Settlement Process and Settlement Hearings Generally

[16] In *Re Donnelly*, the hearing panel highlighted the importance of the settlement process and stated that:

> It is usually in the public interest that matters be settled where possible rather than be determined through contested hearings. The reasons for this are often that an earlier determination of a dispute is better than a later determination. Settlements are usually less expensive than contested litigation, and there is less congestion in the dispute settling system when matters are taken out of the system through settlements. Finally, where both parties agree, the result is often more palatable to the parties and society than in a contested hearing where the winner takes all.[8]

[17] The hearing panel in *Re Donnelly* also considered the importance of negotiations that take place between parties to reach settlements, and the role the Hearing Panel has in the process, noting that:

> ...a panel considering the acceptance of a settlement agreement will try to reach a determination of acceptance. It will recognize that settlements are often hotly debated with much compromise and give-and-take between the parties in order to reach an acceptable position agreeable to both parties. Furthermore, the panel will recognize that it is not privy to all the facts and the motivations and considerations that each of the parties have in coming to a solution of the dispute that is agreeable to them.[9]

[18] In *Re Heakes*, the hearing panel stated:

> Hearing Panels should respect settlements worked out by the parties. A Panel does not know what led to a settlement, what was given up by one party or the other in the course of negotiations, and what interest each party has in agreeing to resolve the matter. The Panel cannot go beyond the Settlement Agreement. There are often facts that play a role in the settlement which are not set out in the Settlement Agreement or brought to the attention of the Panel. Respecting settlements is particularly desirable in cases...where experienced counsel were involved and where...there were 'extensive negotiations.[10]

[19] The importance of experienced counsel to the settlement process has been considered a significant factor in other cases.[11]

[20] In the present case, experienced Counsel for the parties participated throughout the entire enforcement process, and they devoted time and effort to the consideration and discussion of significant procedural and substantive issues and to the negotiation and conclusion of the Settlement Agreement. The Settlement Agreement represents a number of compromises and concessions by the parties to arrive at a result which they each consider to be satisfactory and in the public interest.

The Sanction Guidelines - Sanction Principles

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[7] 2021 IIROC 07, at para. 18.
[8] 2016 IIROC 23, at para. 7.
[9] *Ibid.*, at para. 8.
[10] 2019 IIROC 09, at para. 18.
[11] *Re Canaccord Genuity* 2021 IIROC 35, at para. 32; *Re Stock* 2021 IIROC 24, at paras. 4 and 6.

[21] Part I of the Guidelines sets out the "Sanction Principles" which provide a framework that should be considered when assessing a sanction for a given case.

[22] Two sanction principles outlined in the Guidelines are particularly relevant to this case.

1. **Sanctions are preventative in nature and should protect the public, strengthen market integrity, and improve business standard**

[23] Under this broad heading, a pertinent consideration is the notion that "...sanctions should be significant enough to prevent and discourage future misconduct by the respondent (specific deterrence), and to discourage others from engaging in similar misconduct (general deterrence)." The Guidelines further read that: "An appropriate sanction should achieve both specific and general deterrence and thereby strengthen market integrity and improve overall business standards and practices in the securities industry."

[24] Additional noteworthy considerations outlined in this portion of the Guidelines include that: "Consideration should be given to the size of the Dealer Member including the firm's financial resources, nature of the firm's business and the number of individuals associated with the firm." This factor was more fulsomely contemplated in paragraphs 80-82 of the Settlement Agreement, which expands upon the significant and relatively recent losses incurred as a result of the fraudulent conduct of Gary Ng, formerly of PI Financial Corp., as well as the failure of Traynor Ridge Capital. The losses to Ventum from these two unique events totaled in excess of $19 million.

[25] We accept Staff's submission that but for the existence of these two events, Staff would not have agreed to the reduced disgorgement. Moreover, Ventum's current financial resources and risk adjusted capital were also considered in the context of the sanctions, including the fine and disgorgement.

[26] On the issue of current financial resources as a factor in sanction considerations, the case of *Re Magna Partners Ltd*.[12] provides some useful guidance. *Re Magna Partners* was a 2011 hearing and review, at the Ontario Securities Commission (**Commission**), of an IIROC decision. The case involved the failure of the subject Dealer Member to ensure that orders received best execution as well as the lack of associated policies and procedures therein. One item at issue here was how the IIROC hearing panel arrived at the $100,000 fine for the underlying misconduct.[13] The Commission affirmed that:

> ...we believe that the Decision lacked proportionality in that the IIROC Hearing Panel did not appear to appropriately take into account the small size of the registrant and its limited regulatory capital.[14]

[27] In further expanding on the proportionality issue, the Commission stated that:

> In our view, a penalty of $100,000 is not proportionate to the size of the firm and its regulatory capital. A penalty of that size would be considered a minor deterrence to a large member of the industry but could cause the failure of a much smaller member firm such as the Applicant. We are not suggesting that the amount of a firm's risk adjusted capital should be a determining factor in imposing sanctions. We are simply saying that, in these circumstances, it should be a very significant factor.[15]

[28] As reflected in paragraphs 80 to 83 of the Settlement Agreement, Staff considered the two events involving Gary Ng and Traynor Ridge to be very significant factors regarding the amount to be disgorged. So do we.

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[12] 2011 ONSEC 21, at paras. 1 and 8.
[13] *Ibid.*, at paras. 4 and 12.
[14] *Ibid.*, at para. 58.
[15] *Ibid.*

2. Sanctions should ensure that a respondent does not financially benefit as a result of the misconduct

[29] The second general sanction principle applicable to this case reflects the idea that "wrong-doers should not benefit from their wrong-doing", and therefore, "where the respondent benefitted financially as a result of the misconduct, the sanction should require disgorgement of some or all of any amounts obtained, including any losses avoided, directly or indirectly, as a result of the contravention."

[30] Staff and Ventum have agreed that a reasonable approximation of the amounts obtained by Ventum as a result of its failure to discharge its gatekeeper obligation is $1,700,000.

[31] In *Poonian v British Columbia Securities Commission*, the British Columbia Court of Appeal confirmed that when making a discretionary order for disgorgement, there need be only "a 'reasonable approximation' of the amount obtained by the wrongdoer as a result of that wrongdoer's contravention or failure to comply."[16] In other words, there is no need to calculate amounts obtained with actuarial precision.

[32] In the present case, the quantum for disgorgement would have been a contentious and resource-intensive issue to litigate at a contested hearing. As noted above, Staff also considered Ventum's current financial situation in considering the amount to be disgorged. Hence, in our view, it is in the public interest to approve this amount as being a reasonable and justifiable compromise between the parties.

The Sanction Guidelines "Key Factors"

[33] Part II of the Guidelines outlines twenty key factors in determining sanctions. Below is a consideration of the relevant factors considered in the present case.

1. The scope of the misconduct, including the number, size, and character of the transactions at issue.

2. Whether the respondent engaged in numerous acts and/or a pattern of misconduct.

3. Whether the misconduct occurred over an extended period of time.

[34] The admissions in the Settlement Agreement relate to four foreign broker-dealers consisting of Financials Worldwide Inc., Valor Capital Ltd., Blacktower Ltd., and Weiser Asset Management which were domiciled in Belize, the Cayman Islands, and the Bahamas, respectively. With this, the activity that Burns engaged in and that Echelon facilitated included numerous buy and sell transactions, tens of millions of dollars of trading activity, and took place over a roughly four-year period spanning from July 2018 until June 2022.[17]

4. Whether the respondent's misconduct was intentional, willfully blind, or reckless.

[35] We agree with Staff's submission that the Respondents' misconduct can be characterized as reckless and willfully blind. Both Respondents had access, at various times over the period at issue, to viable information that ought to have triggered further inquiries into the foreign broker-dealers and the transactions at issue. There were numerous opportunities for Burns and Echelon to reconsider the trading activity and to thoughtfully contemplate whether they should continue to do business with the foreign broker-dealers.

9. The amounts the respondent obtained or attempted to obtain, or the loss the respondent avoided or attempted to avoid, as a result of the improper activity (see Principle No. 2).

[36] This issue was discussed above under the second sanction principle heading.

[16] 2017 BCCA 207 at para. 129.
[17] Settlement Agreement at paras. 27, 37, 66 and 82.

13. Whether an individual respondent or Dealer Member respondent voluntarily employed subsequent corrective measures to revise general and/or specific procedures to avoid recurrence of misconduct.

[37] Ventum is no longer active in the US OTC securities business with the foreign broker-dealers. Ventum has also taken a number of remedial measures since the amalgamation, including safeguards for the acceptance of physically certificated deposits of US unlisted securities of a certain value or share count.

[38] Since the amalgamation, Ventum has also appointed new executives, including a CEO, CFO, COO, as well as a new Vice-President, Legal and Regulatory Affairs.

[39] Ventum has also agreed, as required by the Settlement Agreement, to hire a consultant to be approved by CIRO Staff, who will review and make recommendations regarding the firm's supervisory system for compliance. Ventum has further agreed to implement the remedial measures recommended pursuant to the consultant review and provide a report to Staff outlining the implementation and adoption date of the measures taken within six months.

17. Whether the respondent demonstrated reasonable reliance on competent supervisory, legal, or other professional advice.

[40] It is clear that both Respondents reasonably relied on competent legal advice of experienced Counsel from Miller Thomson LLP who were active in the negotiation and settlement of this matter.

Prior Cases

[41] Counsel for the parties relied on previous IIROC and CIRO cases made in similar circumstances,[18] which we find are useful to consider here, given their relevance, sufficient similarity of facts and issues to those in this case, persuasiveness and applicability. We further find the disgorgement amounts and the sanctions imposed in those cases to be consistent with the agreed sanctions in the present case, which affords us some measure of guidance and comparison.

Application to the Facts

[42] In considering whether the agreed sanctions are appropriate, fair and reasonable, we have taken into account:

(a) **The Agreed Facts** (Part III of the Settlement Agreement), including those relating to overview, background, compliance and supervision of the OTC trading, the foreign broker-dealers, foreign broker-dealer 1: Financials Worldwide Inc., identity verification and due diligence, trading activity and trade instructions, foreign broker-dealer 2: Valor Capital Ltd., identity verification and due diligence, trading activity and trade instructions, change in executing brokers, foreign broker-dealer 3: Weiser Asset Management, identity verification and due diligence, trading activity and referral arrangements, foreign broker-dealer 4: Blacktower Ltd., identity verification and due diligence, trading activity, remedial measures, and additional factors; and

(b) **Mitigating factors**, including that: (i) Ventum has agreed to engage a consultant with respect to its regulatory compliance issues. Ventum has also agreed to implement recommendations from the consultant and to report to CIRO on its efforts in this regard; (ii) Ventum has agreed to a significant sanction which includes a monetary fine and disgorgement. The amount to be disgorged is significant and takes into account certain unique events that negatively impacted Ventum's

[18] *Canaccord Genuity Corp. (2025)* – Settlement Agreement, dated April 16, 2025, accepted between CIRO and Canaccord Genuity Corp; *Re Canaccord Genuity* 2014 IIROC 3; *Re Sweeney* 2022 IIROC 22; *Re Jiwa* 2012 IIROC 9; *Re Georgakopoulos* 2009 IIROC 25.

> ability to make full disgorgement; (iii) Ventum's agreement to factors (i) and (ii) above demonstrates a commitment to continue to improve its supervisory and compliance systems and to continue to take appropriate remedial action to avoid the recurrence of the conduct in issue in this proceeding or similar compliance supervision or gatekeeper issues, as submitted by counsel for the Respondents; (iv) Burns has agreed to a significant fine and a lengthy suspension of his registration with CIRO; (v) By entering into the Settlement Agreement, the Respondents have saved CIRO time, resources and expenses that would have otherwise been necessary to conduct a lengthy, complex, contested, and expensive hearing of the subject allegations and responses; and (vi) The Settlement Agreement and the agreed sanctions are in keeping with the protection of the investing public, the integrity of the securities markets, specific and general deterrence, the protection of CIRO's membership, and the protection of the integrity of CIRO's enforcement processes.[19]

[43] Having reviewed the Settlement Agreement, the Settlement Book, the written Settlement Submissions of Staff, and the transcript of the settlement hearing, filed, and hearing the oral submissions of Counsel for Staff and Counsel for the Respondents, we find that the agreed penalties are appropriate, fair and reasonable, that is, proportional to the seriousness of the contraventions, in all the relevant circumstances of this case.

[44] As to whether the agreed sanctions are within an acceptable range, we have considered:

(a) The CIRO Sanction Guidelines, which assisted us in determining whether to accept the Settlement Agreement, and in the fair and efficient imposition of appropriate sanctions in this settlement hearing, based on the principles and key factors upon which our discretion may be exercised consistently and fairly, including the relevant aggravating and mitigating factors, relying on previous decisions when determining what sanctions should be imposed in the present case; and

(b) Previous decisions made in similar circumstances on which Counsel for Staff and Counsel for the Respondent relied and which we considered useful and of assistance to us in the context of the present case.

[45] In our view, the agreed sanctions, which were negotiated and agreed upon by Counsel for the parties, are within a reasonable range of appropriateness, taking into account the CIRO Sanction Guidelines and applicable key factors and general principles cited and applied in previous decisions. We so find.

[46] We have also considered whether the agreed sanctions would serve as a deterrent to the Respondents and to other participants in the capital markets in order to protect investors. As stated by the Supreme Court of Canada in *Cartaway Resources Corp. (Re)*:[20]

> The Oxford English Dictionary (2nd ed. 1989), vol. XII, defines "preventive" as "[t]hat anticipates in order to ward against; precautionary; that keeps from coming or taking place; that acts as a hindrance or obstacle". A penalty that is meant to deter generally is a penalty that is designed to keep an occurrence from happening; it discourages similar wrongdoing in others. In a word, a general deterrent is preventative. It is therefore reasonable to consider general deterrence as a factor, albeit not the only one, in imposing a sanction under s. 162. The respective importance of general deterrence as a factor will vary according to the breach of the Act and the circumstances of the person charged with breaching the Act.

[47] In this case, the need for a significant sanction to achieve specific and general deterrence is justified on

[19] *Tonnies (Re)*, [2005] Hearing Panel of the Prairie Regional Council, MFDA File no.200503 at pp. 21-22; *Pezim v. British Columbia (Superintendent of Brokers)* [1994] 2 S.C.R. 557 at pp. 606-609; *Breckenridge (Re)*, [2007] Hearing Panel of the Ontario Regional Council, MFDA File No. 200718 at pp. 20 and 21.
[20] 2004 SCC 26 at para. 61.

the agreed facts. We find that the sanctions agreed to in this case achieve the goals of specific and general deterrence.

[48] In Re *Mills,*[21] the hearing panel stated:

> Industry expectations and understandings are particularly relevant to general deterrence. If a penalty is less than industry understandings would lead its Members to expect for the conduct under consideration, it may undermine the goals of the Association's disciplinary process; similarly, excessive penalties may reduce respect for the process and concomitantly diminish its deterrent effect. Thus the responsibility of the [hearing panel] in a penalty hearing is to determine a penalty appropriate to the conduct and respondent before it, reflecting that its primary purpose is prevention, rather than punishment.

[49] We find on the facts and materials before us that the agreed sanctions are appropriate to the conduct at issue and the Respondents, and that they are significant enough to serve as a deterrent to the Respondents and to industry.

[50] In our view, the sanctions as agreed upon by Staff and the Respondents are in keeping with the purpose of CIRO to enhance investor protection and strengthen public confidence in Canada's investment industry by ensuring high standards of conduct and maintaining a healthy and trustworthy financial system in Canada. Furthermore, the agreed sanctions are sufficient to deter future misconduct by the Respondents and others, improve overall compliance in the investment industry, and foster public confidence in the enforcement process.

Conclusions

[51] For the foregoing reasons, we have concluded that the agreed sanctions described in the Settlement Agreement are appropriate, fair and reasonable, are within an acceptable range, and should serve as a deterrent to the Respondents and to industry.

[52] Thus, the Hearing Panel has concluded that it is in the pubic interest for us to accept the Settlement Agreement. And we therefore accept it.

[53] 53. We therefore order, in accordance with paragraphs 85 and 86 of the Settlement Agreement, that the Respondents shall forthwith pay and be subject to the agreed sanctions.

Echelon / Ventum

i. fine in the amount of $500,000,
ii. disgorgement in the amount of $1,700,000,
iii. costs in the amount of $100,000, and
iv. implement the remedial measures described in paragraph 78 of the Settlement Agreement.

Stephen Burns

i. fine in the amount of $100,000,
ii. a suspension of approval in any capacity for six (6) months, and
iii. costs in the amount of $25,000.

Dated at Toronto, Ontario this 30th day of July 2025.

[21] [2001] I.D.A.C.D. No. 7 at p. 3.

"Marvin Huberman"
Marvin J. Huberman, Chair

"Debbie Archer"
Debbie Archer, Industry Representative

"Deborah Leckman"
Deborah Leckman, Industry Representative

CIRO · OCRI
Canadian Investment Regulatory Organization
Organisme canadien de réglementation des investissements

IN THE MATTER OF
THE INVESTMENT DEALER AND PARTIALLY CONSOLIDATED RULES
AND THE DEALER MEMBER RULES

AND

ECHELON WEALTH PARTNERS INC. (NOW VENTUM FINANCIAL CORP.)

AND

STEPHEN BURNS

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Canadian Investment Regulatory Organization ("CIRO") will issue a Notice of Motion to announce a settlement hearing pursuant to sections 8215 and 8428 of the Investment Dealer and Partially Consolidated Rules (the "Investment Dealer Rules") to consider whether a hearing panel should accept this Settlement Agreement between Enforcement Staff and Echelon Wealth Partners Inc. and Stephen Burns (the "Respondents").

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Enforcement Staff and the Respondents jointly recommend that the hearing panel accept this Settlement Agreement in accordance with the terms and conditions set out below.

PART III – AGREED FACTS

3. For the purposes of this Settlement Agreement, the Respondents agree with the facts as set out in Part III of this Settlement Agreement.

Overview

4. During the Relevant Period (July 2018 to June 2022), Echelon Wealth Partners Inc. ("Echelon") opened accounts for four foreign broker-dealers. Stephen Burns ("Burns"), who joined Echelon in April 2018, was the primary contact for these clients and originator of the account openings. Burns did not conduct adequate identity verification or due diligence on the foreign broker-dealers, who he knew or ought to have known, were acting on behalf of control persons or beneficial owners of US OTC securities. Burns did not question the trading pattern of the foreign broker dealers who repeatedly transferred-in OTC securities of US issuers, liquidated large amounts of the securities, and wired-out the proceeds of the sales.

5. Prior to July 2018, Echelon's trading in US OTC securities was infrequent, occurring at the request of an existing client. During the Relevant Period, US OTC trading activity increased substantially. In the Relevant Period, Echelon executed $179,796,448.40 worth of sells and $5,260,801.31 worth of buys for 34 different entities, which generated $7,746,425 in commissions for the Respondents.

6. The four foreign broker dealers that were the focus of Enforcement Staff's investigation engaged in sells worth $105,961,640.70 and buys worth $1,715,871.63, which generated $4,936,827.33 in commissions for the Respondents.

7. Echelon permitted the account openings and trading activity without identifying or establishing an appropriate system of controls, compliance, and supervision. Echelon failed to sufficiently manage the risks associated with this line of business in accordance with prudent business practices.

8. Significant risks are associated with trading OTC securities. OTC issuers are not required to provide much financial information. OTC securities are generally illiquid and volatile and are frequent targets of alleged market manipulation and fraud.[1]

[1] See U.S. Securities and Exchange Commission, Division of Economic and Risk Analysis, "Outcome of Investing in OTC Stocks," December 16, 2016: SEC.gov | Outcomes of Investing in OTC Stocks

9. Dealer Members and their Approved Persons are relied on, and required to, act as gatekeepers of the capital markets, to help prevent and detect illegitimate, abusive, or fraudulent practices. In all the circumstances, as described below, Echelon and Burns failed to act as gatekeepers by facilitating trading activity that threatened the integrity of the capital markets and the reputation of CIRO-regulated Dealer Members.

Background

10. Echelon was a Dealer Member with CIRO and its predecessors beginning on April 8, 2010. On June 22, 2024, Echelon and Ventum Financial Corp. (formerly PI Financial Corp. until changing its name in May 2024) amalgamated and continued as Ventum Financial Corp. ("Ventum").

11. Burns has been a Registered Representative with CIRO and its predecessors since 1997. Prior to joining Echelon, Burns was employed at Velocity Trade Capital Ltd. ("Velocity") between November 2016 and January 2018, where he facilitated trading in OTC securities. Velocity stated that it took steps to remove certain OTC-trading clients from its book of business, as it was expending a significant amount of time on compliance matters and the business posed a potential risk to the firm.

12. Burns joined Echelon in April 2018 as the Managing Director, Electronic Trading. He, along with a small team that he managed, was responsible for direct electronic access trading at Echelon. Burns left Echelon in April 2024. He is currently registered with Independent Trading Group (ITG) Inc., a Dealer Member.

13. Enforcement Staff's investigation began as a result of a gatekeeper report filed in October 2018 by a Canadian-based Dealer Member who acted, through a US affiliate, as executing broker for Echelon's US OTC orders. The Dealer Member reported what it identified as excessive trading activity in some OTC low-priced securities as part of an ongoing review. The Dealer Member stated that (independent of the gatekeeper report filed) it had made the decision to block

trading in low-priced OTC securities (with a few exceptions) commencing September 24, 2018.

14. During the Relevant Period, Echelon received numerous regulatory inquiries relating to trading in OTC securities. Echelon's compliance department responded to each of these inquires.

Compliance and Supervision of the OTC Trading

15. Despite the significant increase in OTC trading activity when Burns began working at the firm, Echelon did not make adequate changes to its supervisory policies and procedures to monitor the increased US OTC trading activity. It failed to conduct adequate or reasonable supervision activities.

16. During the Relevant Period, Burns, or a member of his team, purportedly performed supervision of the OTC trading activity in real time. There is insufficient documentation to confirm that adequate or reasonable supervision took place.

17. The purported reviews were to ensure that any OTC securities traded did not have a Caveat Emptor flag. The Caveat Emptor flag is used by the OTC Markets Group, which is the US financial market who provides price and liquidity information for OTC securities. The flag, which translates to "buyer beware," is a publicly published designation used by OTC Markets Group to alert investors and market participants to potential public interest concerns regarding a company or its securities. This designation allows securities dealers to quickly restrict client trading in a security with problematic activity. The Caveat Emptor flag is placed on a security after a determination by OTC Markets is made that there may be potential risk to investors, because of a questionable stock promotion, a known investigation of potentially fraudulent activity committed by the issuer or its insiders, a regulatory suspension, or disruptive corporate actions, among other reasons.

18. The reviews were also purportedly to ensure that transfer-in requirements and trading limits were observed. Legal opinion letters were only sought if there were regulatory inquiries made.

19. Beginning in June 2021, legal opinion letters were collected, but only reviewed to determine where and how the ultimate beneficial owner had obtained the securities.

20. On numerous occasions, securities with the Caveat Emptor flag were traded. In addition, securities were traded where questionable promotional activities had taken place, despite assertions from Burns that he or his team would perform online searches to ensure that no detrimental news or promotional activities were published on-line.

21. On several hundred occasions, the percentage of daily market volume limit was exceeded. On several occasions, the daily volume limit was also exceeded. Only on one occasion did Burns self-report exceeding a threshold limit. There were inadequate independent compliance queries to ensure these trading limits set by the Respondents themselves were complied with.

22. Echelon had policies and procedures relating to wire transfers, which included specific examples of suspicious transactions from the FINTRAC guidance. Despite numerous instances of suspicious transactions identified in the policies and procedures, no steps were taken, and no Unusual Transaction Report was filed with FINTRAC.

23. During the Relevant Period, there were numerous compliance, supervision, and gatekeeping failures:

    (i) accounts were opened for offshore clients without adequate due diligence;

(ii) there were insufficient indications of a proper due diligence process with respect to the beneficial owners of OTC securities traded by clients;

(iii) established trading limits were exceeded;

(iv) there was insufficient evidence of any reviews purportedly done by Burns or his team;

(v) on 18 occasions, trades for US OTC securities were executed which were subject to a Caveat Emptor flag.

(vi) potential red flags which should have warranted further review and inquiry were not identified, including:

1. the dollar value and volume of the trades and deposits involved;
2. the fact that the clients' accounts were almost exclusively used to sell OTC securities;
3. the wiring instructions provided by these clients, as well as the jurisdictions involved;
4. relationships between some of these clients and their principals;
5. publicly available information pertaining to the clients, the OTC securities or their issuers; and
6. the numerous regulatory requests received by Echelon, with respect to this activity.

The Foreign Broker-Dealers

24. Echelon and Burns did not perform adequate due diligence to verify the identity of owners and control persons at the four foreign broker-dealers, nor did Echelon or Burns make further inquiries about their trading activity when circumstances warranted.

25. There were connections between the four foreign-broker dealers, either directly through control persons or indirectly through mutual clients or commission referral

agreements. Burns knew or ought to have known about this information that was often readily available and warranted further due diligence and inquiries.

26. The four foreign broker-dealers accounted for approximately 59% of US OTC sales at Echelon.

Foreign Broker-Dealer 1: Financials Worldwide Inc. ("FWW")

(i) Identity Verification and Due Diligence

27. FWW was registered as a broker-dealer in Belize until January 1, 2019 and was introduced to Burns by Monsas Ltd. ("Monsas"), a UK-based broker which was a client of Burns' while he was employed at Velocity. FWW accounts were opened on or about November 21, 2018, and was Burns' first significant involvement with US OTC trading activity at Echelon.

28. Burns purportedly met with the Head of Client Management and Sales at Monsas as well as an individual, DS, who was a resident of Latvia. The account opening documentation for FWW listed DS as "Operations Manager" and an individual, AH, resident in Belize, as "President" and the sole director. Burns did not meet with AH, nor did he perform identification verification.

29. The mailing address for FWW was a vacation resort located in Belize that was owned by AH and her spouse. Burns did not know, nor did he inquire, how DS, a Latvian citizen became involved in a business relationship with AH, a Belize-based resort owner.

30. The Respondents recorded FWW's account as a low risk for money laundering and terrorist financing, despite being a broker-dealer in a foreign jurisdiction with limited transparency into the beneficial ownership of shares.

(ii) Trading Activity and Trade Instructions

31. Beginning in November 2018, FWW transferred in securities of four US OTC issuers. The entire trading activity in the FWW account consisted of selling these securities and wiring out the proceeds. The proceeds of sale were wired to a bank domiciled in Nevis.

32. Over the course of four months, Echelon executed sells only for a total amount of $7,167,701.46, as follows:

Issuer	Symbol	Transfer-in Date	# Shares
Lifequest World Corp.	LQWC	November 30, 2018	500,000
Natural Health Farm Hldg.	NHEL	December 3, 2018	4,897,500
Byzen Digital Inc.	BYZN	December 4, 2018	500,000
Nugl Inc.	NUGL	February 6, 2019	1,411,669

33. A total of $7,230,479 was wired to the Bank of Nevis.

34. Burns communicated with, and received instructions for FWW transactions from, a generic email account "info@fww.bz." In addition, Burns would communicate with FWW using a Russian domain email "settlements.fww@mail.ru." Burns made no inquiries in this regard and was not aware of any connection to, or business operations FWW had, in Russia.

35. During the Relevant Period, nine trades were executed for FWW where a press release had been issued by the issuer warning that there had been unauthorized on-line promotions of its securities.

36. FWW ceased operations in April or May of 2019. Its remaining securities holdings, primarily the OTC security LQWC, were transferred out from FWW in April 2019, when the holdings were transferred into an account maintained at Echelon for Valor Capital Ltd. ("Valor"), a second foreign broker-dealer.

Foreign Broker-Dealer 2: Valor Capital Ltd. ("Valor")

(i) Identity Verification and Due Diligence

37. Valor, registered as a broker-dealer in the Cayman Islands, was also introduced to Burns by Monsas, and opened its account with the Respondents on or about January 22, 2019.

38. Valor was incorporated on or before March 20, 2017.

39. On account opening, the Latvian individual, DS, was identified as Operations Manager for Valor (the same designation he had for FWW). Two additional Latvian residents, IZ and DD were identified as directors, as was a Grand Cayman resident, SP. Burns had only purportedly met with DS and performed no other identity verification.

40. The Respondents recorded Valor's account as a low risk for money laundering and terrorist financing, despite being a broker-dealer in a foreign jurisdiction with limited transparency into the beneficial ownership of shares.

41. The interrelationship between FWW and Valor was not identified by Echelon until June 2019 when its CCO queried Burns about account activity. Burns indicated that FWW and Valor were "the same trader" but had "different owners." Burns was not aware of the share ownership structure of Valor.

42. One further compliance inquiry was made of Burns by Echelon in April 2020. In response to whether FWW had "just gone away", Burns advised that "FWW became Valor" and decided to "move to a more reputable country (Cayman Islands) and rebrand." Valor had been incorporated on or before March 20, 2017.

(ii) Trading Activity and Trade Instructions

43. During the Relevant Period, the Respondents executed a total of $78,589,614.56 worth of sells, as well as $763,525.15 worth of buys in OTC securities. A total of $90,206,029 was wired out to various banks or virtual banks located in St-Lucia, Nevis, Russia, and Kyrgyzstan.

44. Burns communicated and received instructions for Valor from a generic email account "info@valor.ky." Emails from this address had multiple signatories, despite Burns' assertion that he only took trading instructions from DS. Burns was also unable to identify an individual who signed simply as "Tom."

45. 483,175 shares in LQWC, which had been transferred out of FWW's account in April 2019 and transferred into Valor's account in June 2019 were sold from the Valor account over the next several months. The shares of LQWC in the Valor account were owned by a UK corporation, Antevorta Capital Partners Ltd. ("Antevorta"), in turn controlled by an individual, GC. A promotional article was published on the internet on July 18, 2019, regarding LQWC and was paid for by Antevorta.

46. On July 19, 2019, OTCMarkets.com placed a Caveat Emptor flag on LQWC. Despite the Caveat Emptor flag, Valor continued selling LQWC securities.

47. In total, the Respondents executed 18 trades on behalf of Valor, for US OTC securities which were subject to a Caveat Emptor flag. Similarly, the Respondents executed 101 trades after a press release was issued by the underlying issuer advising of unauthorized promotions of its security.

(iii) Change in Executing Brokers

48. In June 2020, Echelon's US executing broker advised that it would no longer accept orders from Echelon as it had grown uncomfortable with Echelon's volume of trading activity. By May 2021, a replacement executing broker was confirmed with trading activity limited to Valor and three specific securities.

49. Between May 4 and June 29, 2021, Echelon sold approximately $20,000,000 worth of securities, with no buys, through the new US executing broker.

50. One of the securities, Oncology Pharma Inc. ("ONPH"), was the subject of a FINRA inquiry to Echelon dated September 1, 2020. Valor sold more than $18,500,000 worth of ONPH securities. When a second FINRA inquiry was made regarding ONPH on June 29, 2021, Echelon's Risk Committee took steps to halt all trading by Valor.

51. Burns lobbied Echelon's Risk Committee to permit resumed trading for Valor within certain limits using the Canari risk score. The Canari risk score is a metric developed by OTC Markets Group Inc. that considers 19 risk factors that are ranked individually and then aggregated to provide a risk score for the security. Echelon determined that the risk score would need to be within specific limits and trading was restricted to 15% of total volume with a maximum of 35,000 shares per day.

52. On July 28, 2021, Valor resumed selling ONPH until June 16, 2022. During that timeframe, Valor sold more than $28.5 million of ONPH shares. On 46 days the "15% of total volume" limit was exceeded and on 43 days, the "maximum of 35,000 shares per day" limit was exceeded.

53. Although Echelon's compliance department performed some due diligence on ONPH as an issuer, no further steps were taken by Burns or Echelon with respect to conducting due diligence on the beneficial owners who were behind the trading in ONPH by Valor.

54. Furthermore, throughout the Relevant Period, Echelon received numerous regulatory requests with respect to trading activity of Valor.

Foreign Broker-Dealer 3: Weiser Asset Management ("Weiser")

(i) Identity Verification and Due Diligence

55. Weiser, registered as a broker-dealer in the Bahamas, opened its account with the Respondents on or about July 23, 2018.

56. Burns was introduced to SL, the Chief Executive Officer ("CEO") of Weiser, by email on June 13, 2018, through a mutual acquaintance. Prior to the account opening, the Chief Compliance Officer ("CCO") for Echelon's carrying broker raised concerns regarding previous trading activity at Weiser while under a different management regime. As a result of the "different management structure," the account for Weiser was opened with no additional safeguards.

57. Two additional individuals were identified on the account opening documentation, CF as Head Trader, and ES as CCO. Burns did not meet with either of these individuals nor perform any identity verification.

58. The Respondents recorded Weiser's account as a low risk for money laundering and terrorist financing despite being a broker-dealer in a foreign jurisdiction with limited transparency into the beneficial ownership of shares and the carrying broker's concerns regarding earlier trading activity.

(ii) Trading Activity and Referral Arrangements

59. Shortly after opening the account for Weiser, Burns arranged for a referral agreement between Echelon and another CIRO Dealer Member, Caldwell Securities Limited ("Caldwell"). The rationale for the referral relationship with Caldwell was that it was prepared to engage in transactions which did not otherwise meet certain of Echelon's carrying broker's threshold limits. This provided Burns' clients an avenue to transact. Neither of the Respondents knew what clients were trading through the referral arrangement with Caldwell but Echelon did receive a nominal referral fee from Caldwell representing 50% of the commissions that Caldwell earned for the applicable US OTC business,

60. In addition, immediately upon account opening, SL began transferring in OTC securities to sell. SL and Burns had numerous discussions about Tendall Capital Markets Ltd. ("Tendall") CM, a Malta-based broker with a view to having Tendall trade through Echelon with Weiser earning a referral arrangement fee.

61. Burns indicated that Tendall already had an account with Echelon through another advisor. Notwithstanding, an arrangement was organized where Weiser transacted on behalf of Tendall, and Tendall transacted through Caldwell, all of which resulted in referral fees being paid to Echelon and then Burns.

62. The ultimate clients of Tendall (who were effectively the subject of the referral agreement with Caldwell) were unknown to Burns or Echelon.

63. Further, FWW was connected to Weiser and Tendall by way of numerous transfer requests emanating from Monsas. The relationship between FWW, Weiser and Tendall was not documented, and Echelon's compliance department was unaware of the relationship.

64. In addition, during the Relevant Period, the Respondents executed a total of $14,267,608.10 worth in sells, as well as $863,703.96 worth in buys in OTC securities, on behalf of Weiser.

65. The Respondents executed 19 trades on behalf of Weiser for OTC securities in circumstances where a press release had been issued by the issuer warning that there had been unauthorized on-line promotions of its securities.

Foreign Broker-Dealer 4: Blacktower Ltd. ("Blacktower")

(i) Identity Verification and Due Diligence

66. Blacktower, registered as a broker-dealer in the Cayman Islands, opened its account with the Respondents on or about November 29, 2019. This account was opened by way of an email introduction of Burns by JL of Oldfield Capital Group LLC ("Oldfield") to JG of Gel Direct Trust ("Gel"). Gel is a US-based entity which could not transact directly through a Canadian Dealer Member, as per applicable registration requirements for US residents set out in Echelon's Policies and Procedures. Gel's activity was diverted through Blacktower at the suggestion of Burns.

67. Gel was also related to other Echelon clients: Burns discussed commission splitting as between Gel and Valor as early as April 2020; Burns also received requests from Valor to transfer shares of LQWC from Gel to an account "for the benefit of Valor".

68. Neither Burns nor Echelon could verify the relationships or rationale for the transfers as they made no inquiries in this regard.

(ii) Trading Activity

69. Blacktower's trading activity consisted solely of processing trades for Gel. All trading activity in Gel resulted in 6% commissions most frequently paid as 3% to Blacktower, 1.5% to Echelon, 1% to JL, and 0.5% to JSX Investments Ltd., a Bahamas-based broker-dealer to which SL (Weiser's former CEO) had moved.

70. Echelon and Burns traded US OTC securities for Blacktower between December 2019 and June 2020. Gel was subsequently named in an SEC complaint dated November 17, 2022, which alleges that it acted as an unauthorized broker to execute more than 19,000 trades of more than 300 billion shares of stock for over 400 issuers.

71. During the Relevant Period, Echelon executed a total of $5,936,716.58 worth in sells, as well as $88,642.52 worth in buys in OTC securities, on behalf of Blacktower.

72. Echelon also executed two trades on behalf of Blacktower for OTC securities, in circumstances where a press release had been issued by the issuer warning that there had been unauthorized on-line promotions of its securities.

73. As set out above, Echelon and Burns failed to exercise sufficient due diligence to learn essential facts regarding the four foreign broker-dealers and they abdicated their gatekeeper obligations by failing to address the circumstances of the trading activity. Despite extensive trading activity, Echelon failed to establish and maintain a supervisory system reasonably designed to supervise the activities of the four foreign broker-dealers and trading in US OTC issuers in general.

Remedial Measures

74. On or about June 2022, the Respondents ceased trading of US OTCBB securities in the accounts of the foreign broker-dealers. The accounts of the foreign broker-dealers were not continued at Ventum.

75. As of June, 2024, it is Ventum's policy to refuse to accept physically certificated deposits of US unlisted securities having a value of greater than $10,000 USD, or in excess of 50,000 shares. Deposits require a completed "US Securities Deposit

Letter". Exemptions may be granted through a Policy Exception Request, approved by two Partners, Directors, or Officers, on a case by case basis.

76. The conduct described herein occurred before the amalgamation resulting in Ventum.

77. In October, 2024, as a result of the amalgamation, Ventum appointed a new Chief Operating Officer and a Chief Financial Officer. In February, 2025, Ventum appointed a new CCO. In February 2025, Ventum also appointed a new Vice-President, Legal and Regulatory Affairs.

78. In conjunction with a consultant to be approved by Enforcement Staff, Ventum will:

    i. review and revise its supervisory system for compliance with Corporation requirements and securities laws pursuant to the requirements of Investment Dealer Rule 3900 and UMIR 7.1; and

    ii. implement any remedial measures recommended pursuant to the above review and provide a report to Enforcement Staff outlining the implementation and adoption date of the remedial measures, within six (6) months of the acceptance date of the Settlement Agreement.

Additional Factors

79. The Respondents chose to cease trading US OTCCBB securities with the four foreign broker dealers before the Respondents received notice of any regulatory or other legal proceedings commenced against the beneficial owners of the problematic US OTC securities that were traded by the Respondents. The Respondents' decision was made after IIROC Enforcement Staff had commenced an investigation into this matter.

80. In 2020, PI Financial Corp. discovered that Gary Ng financed the purchase of that firm for $100,000,000, by obtaining loans through fraudulent means. This led to significant losses for PI Financial Corp.

81. In October 2023, Echelon suffered losses of approximately $19.8 million relating to the failure by Traynor Ridge Capital, an institutional client of the firm, to settle certain trades. The Ontario Securities Commission imposed a cease trade order on Traynor Ridge Capital on October 30, 2023 and on November 3, 2023, the Ontario Superior Court of Justice appointed a receiver and manager over its affairs and the funds it managed.

82. The size of Echelon (and the amalgamated entity, Ventum), including the firm's current financial resources and risk adjusted capital, was a factor with respect to the agreed sanction.

83. Given these factors and the remedial measures, Enforcement Staff and Ventum have agreed that it is appropriate in the circumstances to reduce the amount to be disgorged to $1,700,000.

PART IV – CONTRAVENTIONS

84. By engaging in the conduct described above, the Respondents committed the following contraventions of CIRO requirements:

Contravention 1

Between July 2018 and June 2022 (the "Relevant Period"), Echelon Wealth Partners Inc. ("Echelon") and Stephen Burns ("Burns") failed to use due diligence to learn and remain informed of the essential facts relative to the accounts and orders of four foreign broker-dealers, contrary to Dealer Member Rule 1300.1 (prior to January 1st, 2022) and Investment Dealer Rule 3200 (after January 1st, 2022).

Contravention 2

Between July 2018 and June 2022, Echelon and Burns failed to act as gatekeepers in relation to the trading activity in US Over-the-Counter ("OTC") securities by the foreign broker dealers, contrary to Investment Dealer Rule 1400.

Contravention 3

Between July 2018 and June 2022, Echelon failed to establish, maintain, and enforce an adequate system of controls and supervision in relation to US OTC trading, contrary to Dealer Member Rule 38.1 (prior to January 1st, 2022) and Investment Dealer Rule 3900 (after January 1st, 2022).

PART V – TERMS OF SETTLEMENT

85. The Respondents agree to the following sanctions and costs:

Ventum Financial Corp.

a. Fine in the amount of $500,000;

b. Disgorgement in the amount of $1,700,000;

c. Costs in the amount of $100,000; and

d. Agrees to implement the remedial measures described in paragraph 78.

Stephen Burns

a. Fine in the amount of $100,000;

b. A suspension of approval in any capacity for six (6) months; and

c. Costs in the amount of $25,000.

86. If this Settlement Agreement is accepted by the hearing panel, the Respondents agree to pay the amounts referred to above immediately upon such acceptance, unless otherwise agreed between Enforcement Staff and the Respondents.

PART VI – STAFF COMMITMENT

87. If the hearing panel accepts this Settlement Agreement, Enforcement Staff will not initiate any further action against the Respondents in relation to the facts set out in Part III and the contraventions in Part IV of this Settlement Agreement, subject to the provisions of the paragraph below.

88. If the hearing panel accepts this Settlement Agreement and the Respondents fail to comply with any of the terms of this Settlement Agreement, Enforcement Staff

may bring proceedings under Investment Dealer Rule 8200 against either or both Respondents. These proceedings may be based on, but are not limited to, the facts set out in Part III of this Settlement Agreement.

PART VII – PROCEDURE FOR ACCEPTANCE OF SETTLEMENT

89. This Settlement Agreement is conditional on acceptance by the hearing panel.

90. This Settlement Agreement shall be presented to a hearing panel at a settlement hearing in accordance with sections 8215 and 8428 of the Investment Dealer Rules, in addition to any other procedures that may be agreed upon between the parties.

91. Enforcement Staff and the Respondents agree that this Settlement Agreement will form all the agreed facts that will be submitted at the settlement hearing, unless the parties agree that additional facts should be submitted at the settlement hearing. If the Respondents do not appear at the settlement hearing, Staff may disclose additional relevant facts, if requested by the hearing panel.

92. If the hearing panel accepts this Settlement Agreement, the Respondents agree to waive all rights under the Rules and By-law of CIRO and any applicable legislation to any further hearing, appeal and review.

93. If the hearing panel rejects this Settlement Agreement, Enforcement Staff and the Respondents or either of them may enter into another settlement agreement or Enforcement Staff may proceed to a disciplinary hearing based on the same or related allegations.

94. The terms of this Settlement Agreement are confidential unless and until this Settlement Agreement has been accepted by the hearing panel.

95. This Settlement Agreement will become available to the public upon its acceptance by the hearing panel and CIRO will post a copy of this Settlement Agreement on the CIRO website. CIRO will publish a notice and news release of the facts, contraventions, and the sanctions agreed upon in this Settlement Agreement and the hearing panel's written reasons for its decision to accept this Settlement Agreement.

96. If this Settlement Agreement is accepted, the Respondents agree that neither they nor anyone on their behalf, will make a public statement inconsistent with this Settlement Agreement.

97. This Settlement Agreement is effective and binding upon the Respondents and Enforcement Staff as of the date of its acceptance by the hearing panel.

PART VIII – EXECUTION OF SETTLEMENT AGREEMENT

98. This Settlement Agreement may be signed in one or more counterparts which together will constitute a binding agreement.

99. An electronic copy of any signature will be treated as an original signature.

DATED this 12th day of June, 2025.

"Lindsay Moffatt"	"David Cusson"
Witness	David Cusson (for Echelon/Ventum)

"Lindsay Moffatt"	"Stephen Burns"
Witness	Stephen Burns
	"Francis Larin"
	Francis Larin Senior Enforcement Counsel on behalf of Enforcement Staff of the Canadian Investment Regulatory Organization

The Settlement Agreement is hereby accepted this 25th day of June, 2025 by the following Hearing panel:

Per: "Marvin Huberman"
Chair

Per: "Debbie Archer"
Industry Member

Per: "Deborah Leckman"
Industry Member