Re Clark

IN THE MATTER OF

The Mutual Fund Dealer Rules

And

Jeremy Earl Clark

2025 CIRO 47

Canadian Investment Regulatory Organization
Hearing Panel (Alberta District)

Heard: July 24, 2025, in Calgary, Ontario via videoconference
Decision: August 11, 2025
Reasons for Decision: September 9, 2025

Hearing Panel:
Robert Stack, Chair,
Richard Bergeron, Industry Representative
David Johnson, Industry Representative

Appearances:
Lerina Koornhof, Enforcement Counsel
Eric Chow, Enforcement Counsel
Andrew Wilson, for Jeremy Earl Clark
David Pope, for Jeremy Earl Clark
Jeremy Clark, (present)

REASONS FOR DECISION ON ACCEPTANCE OF SETTLEMENT

Introduction

[1] On July 24, 2025, a panel (the **Panel**) of the Canadian Investment Regulatory Organization of Canada (**CIRO**) approved a settlement agreement entered into by Enforcement Staff of CIRO (**Staff**) and the Respondent, Jeremy Earl Clark (the **Respondent**). The following are the reasons of the Panel.

Background

[2] Staff issued a Notice of Settlement Hearing on June 3, 2025. It followed from a settlement agreement that Staff entered into with the Respondent on May 29, 2025 (the **Settlement Agreement**). The Notice of Settlement Hearing stated that both Staff and the Respondent requested that the Panel approve the terms of the Settlement Agreement under Rule 7.4.4 of the Mutual Fund Dealer Rules.

[3] The hearing took place on July 24, 2025, via video conference, with the Respondent appearing remotely along with his counsel. At the commencement of the hearing, Staff asked that the matter be heard *in camera* until such time as the Panel had decided whether to accept the Settlement Agreement. This order was given, and the parties made submissions *in camera*.

[4] The Hearing Panel considered whether to accept the terms of the Settlement Agreement in light of the conduct described in the Settlement Agreement and the submissions of counsel for Staff and counsel for the Respondent.

Admitted Facts

[5] The Settlement Agreement set out the following facts admitted by the Respondent:

(a) The Respondent has been registered in Alberta as a dealing representative with a Dealer Member since October 2004. During the relevant period, he was a representative with FundEx Investments Inc. between January 2019 and June 2021 and was then a representative with Investia Financial Services Inc. (**Investia**) between July 2021 and March 2023.

(b) Investia terminated the Respondent in the course of its investigation into the matters described below, and he was not registered in the securities industry at the time of the Settlement Agreement.

(c) The Respondent also owned and operated an entity called CH Financial Ltd. (**CH Financial**). With approval from his Dealer Member, the Respondent operated his mutual fund business through this entity and also engaged in outside activities in relation to financial planning, wills and estates services, tax-preparation, loans and mortgages and insurance services.

(d) Between January 2019 and June 2021, the Respondent obtained $1,642,543 from a number of clients of the Dealer Member in order to fund an expansion of CH Financial's business operations. By the time his registration ended, CH Financial had paid monthly dividends of $420,016 to these shareholders. No further dividends have been paid.

(e) Further, between February 3, 2022, and October 25, 2022, the Respondent solicited loans from a single client in the amount of $1,500,000 to CH Financial. These loans were repaid by June of 2023.

(f) At all relevant times, the Dealer Member in question had policies against personal financial dealings with clients.

(g) On March 31, 2022, the Respondent signed an attestation required by the Dealer Member that stated he did not have, and had never had, personal financial dealings with clients.

(h) When documenting redemptions that facilitated his business dealings with clients, the Respondent on several occasions reported false or misleading reasons for the redemptions, such as "living expenses".

(i) With the exception of a deceased investor, the clients who became shareholders remain shareholders today.

[6] The Settlement Agreement also disclosed the following:

(a) Clients have not complained to CIRO or the relevant Dealer Member about the Respondent's conduct.

(b) With a single exception, the clients to whom the Respondent sold shares in CH Financial wrote to Staff to indicate that they were informed of the risks of the investment, had no complaints about the Respondent's conduct and wished to remain as shareholders of CH Financial.

(c) the Respondent has not previously been subject to MFDA or CIRO disciplinary proceedings; and

(d) the Settlement Agreement has saved CIRO the time, resources and expenses associated with a contested hearing.

Admitted Contraventions

[7] The Settlement Agreement contained the following admission of contraventions of CIRO (and predecessor) Rules

(a) Between January 2019 and March 6, 2023, the Respondent engaged in personal financial dealings with clients of the Dealer Member, which gave rise to conflicts of interest that the Respondent failed to disclose to the Dealer Member or otherwise ensure was addressed by the exercise of responsible business judgment influenced only by the best interests of the clients, contrary to MFDA Rules 2.1.4 and 2.1.5 (the **Financial Dealings Contravention**"); and

(b) Between January 2019 and March 6, 2023, the Respondent made false or misleading statements to the Dealer Member, contrary to MFDA Rule 2.1.1. (the **False Statements Contravention**)

Proposed Penalties

[8] In the Settlement Agreement, Staff and the Respondent indicated they had agreed that the Financial Dealings Contravention and the False Statements Contravention would attract the following sanctions:

(a) a prohibition from conducting securities related business in any capacity while in the employ of or associated with a CIRO Dealer Member, for a period of 12 months from the date the Hearing Panel accepts this Settlement Agreement, pursuant to Mutual Fund Dealer Rule 7.4.1.1(e);

(b) a fine of $80,000 in certified funds upon acceptance of the Settlement Agreement, pursuant to Mutual Fund Dealer Rule 7.4.1.1(b);

(c) The Respondent shall pay costs in the amount of $5,000 in certified funds upon acceptance of the Settlement Agreement, pursuant to Mutual Fund Dealer Rule 7.4.2;

[9] The Respondent also agreed that he would, in the future, comply with Mutual Fund Dealer Rules 2.1.1, 2.1.4(2), and 2.1.5 and that he would attend the Settlement Hearing.

Role of Panel where there is Agreement as to Sanction

[10] When a settlement agreement has been referred to a CIRO hearing panel under Rule 7.4.4 of CIRO's Mutual Fund Dealer Rules, the panel is required to either accept or reject the agreement. Pursuant to considerable authority from MFDA and CIRO panels, a hearing panel reviewing an agreed set of sanctions is not to determine what the correct penalty is or what it thinks the penalty should be. Rather, its role is to determine whether the penalty to which the parties have agreed is within a reasonable range of outcomes.

Sterling Mutuals Inc. (Re)[1], *Milewski (Re)*[2], *Culliton (Re)*[3]

[11] In considering whether a proposed penalty is in a reasonable range, CIRO panels have considered factors such as the following:

(a) the seriousness of the allegations proved against the respondent;

(b) the respondent's past conduct, including prior sanctions;

(c) the respondent's experience and level of activity in the capital markets;

(d) whether the respondent recognizes the seriousness of the improper activity;

(e) the harm suffered by investors as a result of the respondent's activities;

(f) the benefits received by the respondent as a result of the improper activity;

(g) the risk to investors and the capital markets in the jurisdiction, were the respondent to continue to operate in capital markets in the jurisdiction;

(h) the damage caused to the integrity of the capital markets in the jurisdiction by the respondent's improper activities;

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[1] Hearing Panel of the Central Regional Council, File No. 200820, Decision and Reasons dated September 3, 2008 at p. 9.
[2] [1999] I.D.A.C.D. No. 17 at p. 12, Ontario District Council Decision dated July 28, 1999 at p. 10.
[3] 2020 CanLII 30059, para 16.

(i) the need to deter not only those involved in the case being considered, but also any others who participate in the capital markets, from engaging in similar improper activity;

(j) the need to alert others to the consequences of inappropriate activities to those who are permitted to participate in the capital markets; and

(k) previous decisions made in similar circumstances.

Milewski (Re)[4], *Laverdiere (Re)*[5]

Jurisdiction and Provisions

[12] CIRO is a successor entity to the Mutual Fund Dealers Association (**MFDA**). It was created via an amalgamation of the MFDA and the Investment Industry Regulatory Organization of Canada (**IIROC**), which occurred on January 1, 2023. Pursuant to transitional rules, CIRO retains jurisdiction over members of the MFDA in relation to violations of MFDA Bylaws or Rules.[6] The MFDA Rules were largely incorporated into CIRO's Mutual Fund Dealer Rules. Given that some of the conduct post-dated the amalgamation, both sets of rules are relevant.

Contraventions

Financial Dealings with Clients and Conflicts of Interest

[13] Rule 2.1.4 of both the MFDA Rules and CIRO's Mutual Fund Dealer Rules deals with conflicts of interest. At the beginning of the relevant period, the provision in the MFDA Rules read as follows:

2.1.4 Conflicts of Interest

(a) Each Member and Approved Person shall be aware of the possibility of conflicts of interest arising between the interests of the Member or Approved Person and the interests of the client. Where an Approved Person becomes aware of any conflict or potential conflict of interest, the Approved Person shall immediately disclose such conflict or potential conflict of interest to the Member.

(b) In the event that such a conflict or potential conflict of interest arises, the Member and the Approved Person shall ensure that it is addressed by the exercise of responsible business judgment influenced only by the best interests of the client and in compliance with Rules 2.1.4(c) and (d).

(c) Any conflict or potential conflict of interest that arises as referred to in Rule 2.1.4(a) shall be immediately disclosed in writing to the client by the Member, or by the Approved Person as the Member directs, prior to the Member or Approved Person proceeding with the proposed transaction giving rise to the conflict or potential conflict of interest.

(d) Each Member shall develop and maintain written policies and procedures to ensure compliance with Rules 2.1.4(a), (b) and (c).

[14] In June of 2021, MFDA Rule 2.4.1 was amended with the part dealing with Approved Persons reading as follows at Rule 2.4.1(2):

2.1.4 (2) Identifying, reporting and addressing material conflicts of interest – Approved Person

(a) An Approved Person must take reasonable steps to identify existing material conflicts of interest, and material conflicts of interest that are reasonably foreseeable, between the Approved Person and the client.

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[4] *Supra* at p. 25

[5] [2010] Hearing Panel of the Pacific Regional Council, MFDA File No. 200936, Panel Decision dated May 12, 2010, at para. 22.

[6] Amended and Restated By-law No. 1, being a General By-law of the Canadian Investment Regulatory Organization, Section 14.6. As the matter was commenced after January 1, 2023, procedure rules that the Panel will apply are those in force after the amalgamation. See also: Mutual Fund Dealer Rules, Rule 1.A.

(b) If an Approved Person identifies a material conflict of interest under Rule 2.1.4(2)(a), the Approved Person must promptly report that conflict of interest to their Member.

(c) An Approved Person must address all material conflicts of interest between the client and the Approved Person in the best interest of the client.

(d) An Approved Person must avoid any material conflict of interest between a client and the Approved Person if the conflict is not, or cannot be, otherwise addressed in the best interest of the client.

(e) An Approved Person must not engage in any trading or advising activity in connection with a material conflict of interest identified by the Approved Person under Rule 2.1.4(2)(a) unless

(i) the conflict has been addressed in the best interest of the client, and

(ii) the Approved Person's Member has given the Approved Person its consent to proceed with the activity.

[15] This language then appeared in CIRO's Mutual Fund Dealer Rule 2.1.4 (2).

[16] While MFDA Staff Notices and panel decisions had stated that borrowing from a client was a conflict of interest, an express prohibition on such borrowing was introduced on December 31, 2021, in Mutual Fund Dealer Rule 2.1.5:

2.1.5 Borrowing From Clients

No Approved Person shall borrow money, securities or other assets or accept a guarantee in relation to borrowed money, securities or any other assets, from a client unless:

(i) the client and the Approved Person are related to each other for the purposes of the Income Tax Act (Canada); and

(ii) the Approved Person has obtained the written approval of their Member to borrow the money, securities or other assets or accept the guarantee.

[17] This provision is mirrored in the CIRO Mutual Fund Dealer Rules.

[18] The Panel concludes, based on the admissions of fact, that there is support for the admission of liability regarding the Financial Dealings Contravention. The Respondent failed to disclose the business dealings with clients to the relevant Dealer Member. There is no evidence of an effort to address the issue of conflicts of interest, and it is difficult to see how conflicts of this kind could be addressed in a manner that protects the interests of the client. Among other problems with the conduct, the Respondent could not provide unbiased investment advice when selling equity and debt in his own entity to mutual fund clients.

Standard of Conduct

[19] The admission regarding the False Statements Contravention deals with Rule 2.1.1. Under both the MFDA Rules and CIRO's Mutual Fund Dealer Rules, Rule 2.1.1 reads as follows:

2.1.1 Standard of Conduct.

Each Member and each Approved Person of a Member shall:

(a) deal fairly, honestly and in good faith with its clients;

(b) observe high standards of ethics and conduct in the transaction of business;

(c) not engage in any business conduct or practice which is unbecoming or detrimental to the public interest; and

(d) be of such character and business repute and have such experience and training as is consistent with the standards described in this Rule 2.1.1, or as may be prescribed by the Corporation.

[20] The conduct described in the Settlement Agreement clearly fell below this standard. Redemptions were misdescribed in reporting documents to disguise the inappropriate business dealings and hide them from the Dealer Member. Similarly, in a 2022 attestation to the Dealer Member, the Respondent denied engaging in financial dealings with clients, including participation in private investment schemes, when in fact the Respondent had already solicited investment from clients in CH Financial. These misrepresentations prevented the Dealer Member from identifying and addressing conflicts.

Sanction Considerations

[21] In relation to factors regarding approval of settlement agreements, the Panel has no difficulty concluding that the misconduct was very serious and that it could erode the confidence in capital markets. We view general deterrence as an important factor in this case. If this sort of conduct were not to attract a significant sanction, Approved Persons may look on dealing in mutual fund products as a way to draw capital to private, illiquid investment opportunities in which they have an interest. This could lead to investor losses and less confidence in the independent advice CIRO Approved Persons are to provide.

[22] At the same time, there is no evidence of investor losses here and no complaints. In fact, investors have reported that they want to keep their shares.

[23] A number of cases about outside business activity and personal financial dealings were presented to the Panel. The range of penalties in these cases was quite broad. What distinguishes this case from those where smaller penalties were ordered is the extent of financial dealings with clients that is present in this case. What distinguishes this case from ones where greater penalties were ordered is primarily the absence of investor loss.

[24] We note as well that, while there may be concerns that the Respondent continues to enjoy the benefit of having former clients as investors, a CIRO panel would not have the power at a contested hearing to make an order altering that arrangement under Rule 7.4.1.

[25] In light of the above, the Panel concluded that the proposed sanctions were within the range of reasonable outcomes.

Acceptance and Order

[26] In light of all of the above, the Panel accepted the Settlement Agreement. The hearing was then reopened to the public, and the Settlement Agreement was marked as an exhibit. An order approving the Settlement Agreement was subsequently signed.

DATED at Calgary, Alberta this 9th day of September 2025

"Robert Stack"

Robert Stack, Chair

"Richard Bergeron"

Richard Bergeron

"David Johnson"

David Johnson

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IN THE MATTER OF
THE MUTUAL FUND DEALER RULES

AND

JEREMY EARL CLARK

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Canadian Investment Regulatory Organization ("CIRO")[i] will issue a Notice of Settlement Hearing to announce a settlement hearing pursuant to Mutual Fund Dealer Rule 7.4.4 and Rules 14 and 15 of the Mutual Fund Dealer Rules of Procedure ("Rules of Procedure") to consider whether a Hearing Panel should accept this Settlement Agreement between Enforcement Staff and Jeremy Earl Clark (the "Respondent").

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Enforcement Staff and the Respondent 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 Respondent agrees with the facts as set out in Part III of this Settlement Agreement.

Overview

4. At all material times, the Respondent was an owner and operator of CH Financial Ltd. ("CH Financial"). The Dealer Member had previously approved CH Financial as a trade name through which the Respondent operated his mutual fund business, as well as certain outside activities consisting of financial planning, wills and estates services, tax

preparation, loans and mortgages, and insurance services.

5. Between March 19, 2007 and January 31, 2019, CH Financial had operated under the name Clark Hetherington Financial Ltd., which was jointly owned and operated by the Respondent and his previous business partner.

6. Between January 2019 and October 25, 2022, without the Dealer Member's knowledge or approval, the Respondent entered into personal financial dealings with clients of the Dealer Member whose accounts were serviced by the Respondent, as described below.

Registration History

7. The Respondent was registered in the securities industry between approximately October 2004 to March 2023.

8. The Respondent was first registered in Alberta as a dealing representative with Fund Trade Corporation between October 2004 and September 2006, when it was acquired by FundEx Investments Inc. ("FundEx"). The Respondent continued to be registered with FundEx until July 1, 2021, when it amalgamated its business with Investia Financial Services Inc. ("Investia"). Between July 1, 2021, and March 6, 2023, the Respondent was registered in Alberta as a dealing representative with Investia.

9. The term "Dealer Member" in this Settlement Agreement refers to FundEx in respect of conduct occurring between January 2019 and June 2021 and to Investia in respect of conduct occurring between July 2021 and March 2023.

10. On March 6, 2023, the Dealer Member terminated the Respondent during its investigation into the matters described in this Settlement Agreement, and the Respondent is not currently registered in the securities industry in any capacity.

11. At all material times the Respondent operated in the Calgary, Alberta, area.

Contravention 1 – Personal Financial Dealings

12. At all material times, the Dealer Member's policies and procedures ("PPM") prohibited its Approved Persons from engaging in personal financial dealings with clients, borrowing

from clients, and required its Approved Persons notify it when a potential conflict of interest arises.

13. Between January 2019 and June 2021, without the Dealer Member's knowledge or approval, the Respondent solicited a total sum of $1,642,543 from clients JF, ML1, ML2, SM, PM, and SMC (the "Shareholder Clients"), to finance the expansion of CH Financial's operations. In exchange for their funds, these clients became shareholders of CH Financial.

14. Between April 2019 to March 2023, when the Respondent ceased to be registered, CH Financial paid monthly dividends to the Shareholder Clients in the total sum of $420,016.

15. Neither the Respondent nor CH Financial has paid any further amounts to the Shareholder Clients since March 15, 2023.

16. In addition, between February 3, 2022, and October 25, 2022, without the Dealer Member's knowledge or approval, the Respondent on behalf of CH Financial solicited loans from client JS in the sum of $1,500,000. The loans were made to CH Financial, and not to the Respondent.

17. In a written loan agreement dated February 3, 2022, CH Financial borrowed $500,000 from client JS, to be repaid quarterly at 5% interest annually. In a second written loan agreement dated October 25, 2022, CH Financial borrowed $1,000,000 from client JS, to be repaid quarterly at 7% interest annually. Both loans were repaid in full by June 2023.

18. The Shareholder Clients remain shareholders of CH Financial, with the exception of ML2 who passed in 2023.

19. The Respondent did not disclose to the Dealer Member that the Shareholder Clients purchased shares in and client JS loaned monies to CH Financial, as described above, in accordance with the requirements of CIRO and the PPM.

20. The Dealer Member did not authorize the Respondent's activities described above.

21. On or about November 18, 2022, client JS ceased being a client of the Dealer Member.

Contravention 2 – False or Misleading Statements made to the Dealer Member

22. On March 31, 2022, the Respondent electronically signed the Dealer Member's 2021 annual attestation stating that he had reviewed and understood the PPM. The annual attestation included the following question to which the Respondent answered "No":

> Are you currently or have you ever been involved in personal financial dealings with your client(s) or any other conflicts of interest described in Chapter 9 of Investia's CPPM? (Examples of personal financial dealings include but not limited to borrowing from or lending to clients, involvement in private investment schemes or business dealings with clients).

23. This answer was false or misleading because the Respondent had already engaged in personal financial dealings with clients, as described above.

24. The Respondent facilitated the redemption of monies for some of the clients from their respective Dealer Member accounts, which monies were used in the business dealings described above.

25. On the documentation used to facilitate the redemptions, the Respondent recorded reasons for the redemptions as set out in the chart below:

Date	Client	Redemption Amount	Reason for Redemption
Jan. 22, 2019	SM	$250,000	Living Expenses
Jan. 22, 2019	PM	$100,000	Living Expenses
Jan. 23, 2019	JF	$500,000	Living Expenses
Jan. 24, 2019	ML1	$350,000	Client Moving home; Living Expenses
Jan. 24, 2019	ML2	$150,000	Client Moving home; Living Expenses
Oct 7, 2022	JS	$500,000	Cash flow and other investments
Oct 12, 2022	JS	$500,000	Cash flow and other investments
Total		**$1,350,000**	

26. The reasons for the redemptions recorded by the Respondent were false or misleading because the Respondent knew the reasons recorded for the redemptions were inaccurate. The reasons were selected from a pre-existing list of reasons created by the Dealer Member, and a reason from that list had to be selected.

The Dealer Member's Investigation into the Respondent's Conduct

27. The Dealer Member became aware of the loans that the Respondent obtained from client JS on or around September 8, 2022, when the Respondent submitted to the Dealer Member documentation in support of a loan application that listed the loan from client JS.

28. On or around November 1, 2022, the Dealer Member advised the Respondent that it had commenced an investigation into the Respondent's conduct. During its investigation, the Dealer Member discovered that the Shareholder Clients invested in CH Financial.

29. The Dealer Member terminated the Respondent's registration on March 6, 2023.

Additional Factors

30. The Respondent has not previously been the subject of MFDA or CIRO disciplinary proceedings.

31. No clients have complained to CIRO or the Dealer Member about the Respondent's conduct described herein.

32. The Shareholder Clients, aside from ML2, have provided CIRO with letters stating that they were all that they were informed of the risk of the Investment by the Respondent prior to investing in of CH Financial, and have stated that they wish to remain shareholders of CH Financial, and have no complaints about the Respondent's conduct. Staff has obtained evidence corroborating these statements.

33. By entering into this Settlement Agreement, the Respondent has saved CIRO the time, resources, and expenses associated with conducting a contested hearing of the allegations.

PART IV – CONTRAVENTIONS

34. By engaging in the conduct described above, the Respondent committed the following contraventions of CIRO requirements:[1]

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[1] On June 30, 2021, MFDA Rule 2.1.4 was amended and renumbered to MFDA Rule 2.1.4(2). On December 31, 2021, MFDA Rule 2.1.5 came into effect. These rules apply to the conduct that occurred in the corresponding periods that the specific rules were in effect. MFDA Rules 2.1.1, 2.1.4(2), and 2.1.5 were in effect until December 31, 2022, when they became incorporated into the corresponding Mutual Fund Dealer Rules on January 1, 2023.

a. Between January 2019 and March 6, 2023, the Respondent engaged in personal financial dealings with clients of the Dealer Member, which gave rise to conflicts of interest that the Respondent failed to disclose to the Dealer Member or otherwise ensure was addressed by the exercise of responsible business judgment influenced only by the best interests of the clients, contrary to MFDA Rules 2.1.4 and 2.1.5; and

b. Between January 2019 and March 6, 2023, the Respondent made false or misleading statements to the Dealer Member, contrary to MFDA Rule 2.1.1.

PART V – TERMS OF SETTLEMENT

35. The Respondent agrees to the following sanctions and costs:

a. a prohibition from conducting securities related business in any capacity while in the employ of or associated with a CIRO Dealer Member, for a period of 12 months from the date the Hearing Panel accepts this Settlement Agreement, pursuant to Mutual Fund Dealer Rule 7.4.1.1(e);

b. a fine of $80,000 in certified funds upon acceptance of the Settlement Agreement, pursuant to Mutual Fund Dealer Rule 7.4.1.1(b);

c. The Respondent shall pay costs in the amount of $5,000 in certified funds upon acceptance of the Settlement Agreement, pursuant to Mutual Fund Dealer Rule 7.4.2; and

d. the Respondent shall in the future comply with Mutual Fund Dealer Rules 2.1.1, 2.1.4(2), and 2.1.5.

e. the Respondent shall attend by videoconference on the date set for the Settlement Hearing.

36. If this Settlement Agreement is accepted by the Hearing Panel, the Respondent agrees to pay the amounts referred to above immediately upon such acceptance, unless otherwise agreed between Enforcement Staff and the Respondent.

PART VI – STAFF COMMITMENT

37. If the Hearing Panel accepts this Settlement Agreement, Enforcement Staff will not initiate any further action against the Respondent 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.

38. If the Hearing Panel accepts this Settlement Agreement and the Respondent fails to comply with any of the terms of this Settlement Agreement, Enforcement Staff may bring proceedings under Mutual Fund Dealer Rule 7 against the Respondent. These proceedings may be based on, but not limited to, the facts set out in Part III of this Settlement Agreement.

PART VII – PROCEDURE FOR ACCEPTANCE OF SETTLEMENT

39. This Settlement Agreement is conditional on acceptance by the Hearing Panel.

40. This Settlement Agreement shall be presented to a Hearing Panel at a settlement hearing in accordance with Mutual Fund Dealer Rule 7.4.4, and Rules of Procedure 14 and 15, in addition to any other procedures that may be agreed upon between the parties.

41. Enforcement Staff and the Respondent 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 Respondent does not appear at the settlement hearing, Staff may disclose additional relevant facts, if requested by the Hearing Panel.

42. If the Hearing Panel accepts this Settlement Agreement, the Respondent agrees to waive all rights under the Rules and By-law No. 1 of CIRO, and any applicable legislation to any further hearing, appeal, and review.

43. If the Hearing Panel rejects this Settlement Agreement, Enforcement Staff and the Respondent may enter into another settlement agreement or Enforcement Staff may proceed to a disciplinary hearing based on the same or related allegations.

44. The terms of this Settlement Agreement are confidential unless and until this Settlement Agreement has been accepted by the Hearing Panel.

45. 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.

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

47. This Settlement Agreement is effective and binding upon the Respondent and Enforcement Staff as of the date of its acceptance by the Hearing Panel.

PART VIII – EXECUTION OF SETTLEMENT AGREEMENT

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

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

DATED this 29th day of May, 2025.

"Witness"
____
Witness

"Jeremy Earl Clark"
____
Respondent

"Lerina J.M. Koornhof"
____
Lerina J.M. Koornhof
Enforcement Counsel on behalf of Staff of the
Canadian Investment Regulatory Organization

The Settlement Agreement is hereby accepted this 24th day of July 2025 by the following Hearing Panel:

Per: "Robert Stack"
Chair

Per: "Richard Bergeron"
Industry Member

Per: "David Johnson"
Industry Member

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[i] Where the rules, by-laws, and policies of the Mutual Fund Dealers Association of Canada (the "MFDA") that were in force immediately prior to amalgamation of the Investment Industry Regulatory Organization of Canada and the MFDA have been incorporated into the Mutual Fund Dealer Rules, Enforcement Staff have referenced the relevant section of the Mutual Fund Dealer Rules.