Re Seto

IN THE MATTER OF:

The Investment Dealer and Partially Consolidated Rules and the Dealer Member Rules

and

Wei (Wendy) Seto

2026 CIRO 06

Canadian Investment Regulatory Organization
Hearing Panel (Ontario District)

Heard: January 20, 2026, in Toronto, Ontario via videoconference
Decision: January 20, 2026
Reasons for Decision: February 2, 2026

Hearing Panel:
Martin L. Friedland C.C., K.C., Chair
Daniel P. Iggers, Industry Representative
Edward V. Jackson, Industry Representative

Appearances:
Michael A.M. Mantle, Senior Enforcement Counsel
Samantha Wu, Enforcement Counsel
Stacey Ball, for Wei (Wendy) Seto
Joshua Coratti, for Wei (Wendy) Seto
Wei (Wendy) Seto (present)

REASONS FOR DECISION ON ACCEPTANCE OF SETTLEMENT

INTRODUCTION

[1] On December 12, 2025, Enforcement Counsel (**Staff**) of the Canadian Investment Regulatory Organization (**CIRO**) and Wei (Wendy) Seto (the **Respondent**) entered into a Settlement Agreement (the **Settlement Agreement**).

[2] On December 18, 2025, Staff issued a Notice of Application, requesting a settlement hearing.

[3] On January 20, 2026, a settlement hearing was held to review the Settlement Agreement.

[4] The Respondent admits in paragraph 5 of the Settlement Agreement that: "Commencing on approximately December 18, 2019, the Respondent began to engage in personal financial dealings with five Dealer Member clients."

[5] She also admits in paragraph 8 of the Settlement Agreement: "At no time did the Respondent disclose the subject personal financial dealings with clients to the Dealer Member."

[6] Dealer Member Rule 43.1 clearly prohibits such conduct, stating: "An employee or Approved Person of a Dealer Member must not, directly or indirectly, engage in any personal financial dealings with clients."

[7] Rule 43.2 states that "Personal financial dealings include, but are not limited to...accepting any consideration, including remuneration, gratuity or benefit, from any person other than the Dealer Member for any activities conducted on behalf of a client."

[8] Full details of the relevant facts are set out in the attached Settlement Agreement.

MS. SETO'S BACKGROUND

[9] The Respondent first entered the securities industry in approximately 2003 and commenced her employment as a Registered Representative at RBC Dominion Securities Inc. (the **Dealer Member**) in February 2019 at Richmond Hill, Ontario.

[10] In July and August, 2023, complaints were made about the Respondent for conduct unrelated to this Settlement Agreement. The complaints resulted in an investigation of the Respondent's conduct by the Dealer Member, during which the Respondent's personal financial dealings with clients came to light.

[11] On November 1, 2023, the Respondent was terminated by the Dealer Member, in part, for the conduct that gave rise to the present proceeding.

[12] Since March 1, 2024, the Respondent has been employed as a Registered Representative at CIBC World Markets Inc. (CIBC) and has been under enhanced close supervision since commencing her employment at CIBC.

CASE OVERVIEW

[13] The Respondent's personal financial dealings with the five Dealer Member clients included the following underlying conduct, as set out in paragraph 6 of the Settlement Agreement:

(i) providing clients with Canadian physical cash or arranging for clients to receive Canadian physical cash or arranging for clients to receive Canadian physical cash from her spouse in exchange for cheques or bank drafts from clients, which were deposited into bank accounts that she controlled. In some instances, she subsequently transferred the monies to her investment accounts;

(ii) providing clients with Canadian physical cash in exchange for clients' United States ("U.S.") monies, which were electronically transferred into bank accounts that she controlled;

(iii) accepting electronic transfers of monies from clients, which were deposited into bank accounts that she controlled;

(iv) accepting clients' Canadian physical cash, and subsequently depositing her own monies into the investment accounts of her clients; and

(v) sending electronic transfers of her own monies to clients.

[14] Between December, 2019 and April, 2021, as stated in paragraph 7 of the Settlement Agreement, the Respondent's personal financial dealings with clients totalled approximately $650,000 CAD. This involved amounts that ranged in size from $3,300 CAD to $145,000 CAD.

[15] To repeat again, at no time did the Respondent disclose her personal financial dealings with clients to the Dealer Member.

AGREED SANCTIONS

[16] Paragraph 33 of the Settlement Agreement provides that: "The Respondent agrees to the following sanctions and costs:

(i) $75,000 (fine);

(ii) A suspension for a period of one month commencing on the date of approval of the settlement agreement; and

(iii) $5,000 (costs)."

CONCERNS OF THE HEARING PANEL

[17] The Hearing Panel was concerned that the Settlement Agreement did not set out statements about the motivation of the parties in the various transactions outlined in detail in the Settlement Agreement. In our private discussion before the hearing started, each panel member expressed these concerns. We decided that we would raise our concern with Staff and the Respondent at the hearing.

[18] Section 27 of the Settlement Agreement added to our concern. It states: "The Respondent states that she did not initiate the transactions described above."

[19] We raised our concern with Staff after their submissions to us and were not surprised at the response. Counsel had anticipated our concern by quoting from the 2016 *Donnelly* case[1] before we could raise the issue:

> "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."

[20] Staff went on to quote the next paragraph from *Donnelly*:[2]

> "...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."

[21] A very recent 2025 CIRO decision, *Re Canaccord*,[3] again discusses the issue:

> "As settlement agreements involve compromise, they may omit facts on which Staff and the respondent do not agree because of difficulties in proving them or because of a respondent's refusal to admit them. There 'are almost always facts that play a role in the settlement' that are not disclosed to the panel in the settlement agreement or otherwise."

[22] Staff offered to adjourn the hearing so that he could discuss with counsel for the Respondent whether they could expand the disclosure of information. At the conclusion of the hearing, we said that the Panel would discuss whether to request an adjournment.

[23] After deliberation, we decided not to ask for an adjournment. It appeared to us that it was highly unlikely that both parties would agree to provide a significant amount of additional evidence which would satisfy our concern for more information. Any additional information we might receive would not likely affect our decision to accept the Settlement Agreement. We were therefore prepared to accept the Settlement Agreement as put before us, if we found it otherwise acceptable.

ACCEPTANCE OF THE SETTLEMENT AGREEMENT

[24] A panel can either accept or reject a Settlement Agreement. It cannot modify it

[25] The conduct in the present case is serious. It was not a single breach of the rules, but went on for several years for many clients.

[26] In the Respondent's favour, we note that the Respondent had no prior disciplinary history.

[27] Further, no clients were harmed or complained about the conduct.

[28] There is no evidence of financial benefit to the Respondent from the transactions.

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[1] 2016 IIROC 23 at para. 7

[2] Ibid. at para. 8. See also *Re Gold* 2025 CIRO 8 at paras. 25 and 26

[3] 2025 CIRO 37, para. 7, citing *Re Ho* (2018) CanLII 11774 (MFDAC) at para. 24

[29] By entering into the Settlement Agreement, the Respondent has saved CIRO the time, resources and expenses associated with conducting a contested hearing.

[30] The financial penalty imposed of $75,000 is a significant penalty. It will act as a deterrent to the Respondent and others. It is much higher than the fines imposed in the five comparable cases cited to us by Staff.[4] It is also consistent with CIRO's Sanctions Guidelines.[5]

[31] It is true that the one-month prohibition could have been higher. Still, we note that the Respondent is presently under enhanced close supervision.

[32] Holding out more information might have resulted in a contested hearing, which, no doubt, would not have been in the parties' interest.

[33] The leading case on whether to accept a Settlement Agreement continues to be the 1999 case of Re Milewski, which stated:[6]

> "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."

[34] The penalty and the costs agreed to in this case fall within "a reasonable range of appropriateness."

[35] For the above reasons, the Panel accepted the Settlement Agreement.

DATED at Toronto, Ontario this 2nd day of February 2026.

"Martin L. Friedland"

Martin L. Friedland, C.C., K.C., Chair

"Daniel P. Iggers"

Daniel P. Iggers

"Edward V. Jackson"

Edward V. Jackson

[4] *Re Dai* 2024 CIRO 33; *Re Yang* 2024 CIRO 44; *Re Wang* 2017 LNCMFDA 209; *Re O'Brien* 2020 ABASC 160; and *Re Callaway* 2022 IIROC 13.
[5] Sanctions Guidelines as of February 1, 2024.
[6] *Re Milewski* [1999] I.D.A.C.D. No. 17.

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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

WEI (WENDY) SETO

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Canadian Investment Regulatory Organization ("CIRO") will issue a Notice of Application 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 Wei (Wendy) Seto (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. This matter involves the Respondent's conduct as a Registered Representative ("RR") at RBC Dominion Securities Inc. (the "Dealer Member") between December 2019 and April 2021 (the "Relevant Period").

5. Commencing on approximately December 18, 2019, the Respondent began to engage in personal financial dealings with five Dealer Member clients.

6. The Respondent's underlying conduct included the following:

(i) providing clients with Canadian physical cash or arranging for clients to receive Canadian physical cash from her spouse in exchange for cheques or bank drafts from clients, which were deposited into bank accounts that she controlled. In some instances, the Respondent subsequently transferred the monies to her investment accounts;

(ii) providing clients with Canadian physical cash in exchange for clients' United States ("U.S.") monies, which were electronically transferred into bank accounts that she controlled;

(iii) accepting electronic transfers of monies from clients, which were deposited into bank accounts that she controlled;

(iv) accepting clients' Canadian physical cash, and subsequently depositing her own monies into the investment accounts of her clients; and

(v) sending electronic transfers of her own monies to clients.

7. During the Relevant Period, the Respondent engaged in various transactions with clients, involving amounts that ranged in size from $3,300 CAD to $145,000 CAD, totaling approximately $544,871 CAD and $76,005 USD (approximately $102,428.11 CAD). The subject transactions amounted to approximately $647,299.11 CAD.

8. At no time did the Respondent disclose the subject personal financial dealings with clients to the Dealer Member.

Background

9. The Respondent first entered the securities industry in approximately 2003 and commenced her employment as an RR at the Dealer Member in February 2019 in Richmond Hill, Ontario.

10. In July and August 2023, complaints were made about the Respondent for conduct unrelated to this settlement agreement. The complaints resulted in an investigation of the Respondent's conduct by the Dealer Member, during which the Respondent's personal financial dealings with clients, as further described below, came to light.

11. On November 1, 2023, the Respondent was terminated by the Dealer Member, in part, for the conduct that gave rise to this proceeding.

12. Since March 1, 2024, the Respondent has been employed as an RR at CIBC World Markets Inc. ("CIBC") and has been under enhanced close supervision since commencing her employment at CIBC.

Regulatory Landscape

13. Dealer Member Rule 43 prohibits RRs from, directly or indirectly, engaging in personal financial dealings with clients.

Relevant Dealer Member Policies

14. During the material time, the Dealer Member required its RRs to:

    (i) avoid conflicts of interest between RRs and clients that were actual, potential, or perceived that could not be addressed in a fair, equitable and transparent manner, and consistent with the best interests of the client; and

    (ii) immediately disclose in writing any real or perceived conflict of interest to the Dealer Member.

Personal Financial Dealings with Clients

Client XC

15. During the Relevant Period, XC was an individual client of the Dealer Member whose accounts were serviced by the Respondent.

16. From December 2019 to July 2020, the Respondent, as further described below:

    (i) sent electronic transfers to and accepted electronic transfers from Client XC;

    (ii) provided Client XC with Canadian physical cash in exchange for Client XC's U.S. monies, which the Respondent deposited into bank accounts that she controlled. The Respondent subsequently transferred the monies to her investment account; and

    (iii) provided Client XC Canadian physical cash in exchange for cheques, bank drafts, or electronic transfers from Client XC, which she deposited into bank accounts that she controlled. In some instances, the Respondent subsequently transferred the monies to her investment accounts.

17. The Respondent's transactions with Client XC are summarized below.

Relevant Dates	Amount	Method of Exchange	Currency
December 18, 2019	$60,000	On or about December 18, 2019, Client XC provided a bank draft to the Respondent, which she deposited into a bank account that she controlled, in exchange for Canadian physical cash.	CAD
January 7, 2020	$145,000	On or about January 7, 2020, Client XC provided a bank draft to the Respondent, which she deposited into a bank account that she controlled, in exchange for Canadian physical cash.	CAD
May 5, 11, 2020	$3,300	On or about May 5, 2020, Client XC electronically transferred monies to the Respondent, which were deposited into a bank account that the Respondent controlled. The Respondent electronically transferred these monies back to Client XC on or about May 11, 2020.	CAD
July 7, 2020	$23,000	On or about July 7, 2020, Client XC provided a cheque to the Respondent, which she deposited into a bank account that she controlled, in exchange for Canadian physical cash.	CAD
July 8, 9, 2020	$113,571	On or about July 8, 2020, Client XC electronically transferred monies into the Respondent's bank account in exchange for Canadian physical cash. On or about July 9, 2020, the Respondent transferred the $113,571 to her investment account at the Dealer Member.	CAD
July 8, 9, 2020	$70,705	On or about July 8, 2020, Client XC electronically transferred U.S. monies into the Respondent's bank account in exchange for Canadian physical cash. On or about July 9, 2020, the Respondent transferred $70,000 USD to her investment account at the Dealer Member.	USD
Total	$344,871 CAD and $70,705 USD (approximately $95,720.43 CAD)		

Clients JX and JXM

18. During the Relevant Period, JX and JXM were spouses and clients at the Dealer Member who shared joint accounts which were serviced by the Respondent.

19. On or about December 20, 2019, the Respondent accepted $60,000 of Canadian physical cash from Client JX. On or about December 27, 2019, the Respondent purchased a $60,000 bank draft that was payable to the joint account of Clients JX and JXM at the Dealer Member.

20. The Respondent completed and submitted to the Dealer Member for processing a Third-Party Deposit Review Form that indicated that the $60,000 bank draft came from Clients JX and JXM's bank account.

21. The bank draft was later deposited into the joint investment account of Clients JX and JXM at the Dealer Member.

Client XWJ

22. During the Relevant Period, XWJ was an individual client of the Dealer Member whose accounts were serviced by the Respondent.

23. On or about May 19, 2020, the Respondent arranged for her spouse to provide Client XWJ with $50,000 in Canadian physical cash in exchange for a $50,000 cheque that was issued by Client XWJ's company. The $50,000 cheque was subsequently deposited into a bank account that the Respondent controlled.

Client SX

24. During the Relevant Period, SX was an individual client of the Dealer Member whose accounts were serviced by the Respondent.

25. From January 2021 to April 2021, the Respondent, as further described below, provided Client SX with Canadian physical cash in exchange for cheques and U.S. monies from Client SX, which were subsequently deposited into bank accounts that the Respondent controlled. In some instances, the Respondent transferred the monies into her investment accounts.

26. The Respondent's transactions with Client SX are summarized below.

Relevant Dates	Amount	Method of Transfer	Currency
January 20, 2021	$5,300	On or about January 20, 2021, Client SX electronically transferred the Respondent U.S. monies, which the Respondent deposited into a bank account that she controlled, in exchange for Canadian physical cash.	USD
February 2, 12, 2021	$30,000	On or about February 2, 2021, Client SX provided a cheque to the Respondent, which she deposited into a bank account that she controlled, in exchange for Canadian physical cash. On or about February 12, 2021, the Respondent transferred the monies to her investment account at the Dealer Member.	CAD
February 7, 2021	$10,000	On or about February 7, 2021, Client SX provided a cheque to the Respondent, which she deposited into a bank account that she controlled, in exchange for Canadian physical cash.	CAD
March 14, 15, 2021	$10,000	On or about March 14, 2021, Client SX provided a cheque to the Respondent, which she deposited into a bank account that she controlled, in exchange for Canadian physical cash. On or about March 15, 2021, the Respondent transferred the monies to her investment account at the Dealer Member.	CAD
March 15, 25, 2021	$20,000	On or about March 15, 2021, Client SX provided a cheque to the Respondent, which she deposited into a bank account that she controlled, in exchange for Canadian physical cash. On or about March 25, 2021, the Respondent transferred the monies to her investment account at the Dealer Member.	CAD
March 19, 2021	$10,000	On or about March 19, 2021, Client SX provided a cheque to the Respondent, which she deposited into a bank account that she controlled, in exchange for Canadian physical cash.	CAD
April 13, 14, 2021	$10,000	On or about April 13, 2021, Client SX provided a cheque to the Respondent, which she deposited into a bank account	CAD

		that she controlled, in exchange for Canadian physical cash. On or about April 14, 2021, the Respondent transferred the monies to her investment account at the Dealer Member.	
Total	$90,000 CAD and $5,300 USD (approximately $6,707.68 CAD)		

Additional Factors

27. The Respondent states that she did not initiate the transactions described above.

28. The Respondent has no prior disciplinary history.

29. No clients have complained to the Dealer Member or CIRO about the transactions described above.

30. There is no evidence of client losses from the underlying transactions outlined above, nor is there evidence of financial benefit to the Respondent from the subject transactions.

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

PART IV – CONTRAVENTIONS

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

    (i) Between December 2019 and April 2021, the Respondent engaged in personal financial dealings with five Dealer Member clients, contrary to Dealer Member Rule 43.

PART V – TERMS OF SETTLEMENT

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

    (i) $75,000 (fine);

    (ii) A suspension for a period of one month commencing on the date of approval of the settlement agreement; and

(iii) $5,000 (costs).

34. 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

35. 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.

36. 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 Investment Dealer Rule 8200 against the Respondent. 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

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

38. 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.

39. 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.

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

41. 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.

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

43. 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.

44. 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.

45. 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

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

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

DATED this 12th day of December, 2025.

"Witness"	"Wei (Wendy) Seto"
Witness	Wei (Wendy) Seto

"Michael A. M. Mantle"
Michael A. M. Mantle
Senior Enforcement Counsel on behalf of Enforcement Staff of the Canadian Investment Regulatory Organization

The Settlement Agreement is hereby accepted this 20th day of January, 2026 by the following Hearing panel:

Per: "Martin Friedland"
Chair

Per: "Edward Jackson"
Industry Member

Per: "Daniel Iggers"
Industry Member