



**CIRO · OCRI**

Canadian Investment  
Regulatory  
Organization

Organisme canadien  
de réglementation  
des investissements

**IN THE MATTER OF  
THE MUTUAL FUND DEALER RULES  
AND  
GAURAV (GAVIN) BANERJEE**

**SETTLEMENT AGREEMENT**

**PART I – INTRODUCTION**

1. The Canadian Investment Regulatory Organization (“CIRO”)<sup>i</sup> 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 Gaurav (Gavin) Banerjee (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.

**Registration History**

4. Between September 2, 2021 and July 29, 2024, when he resigned in connection with the matters described below, the Respondent was registered as a dealing representative in

British Columbia with Scotia Securities Inc. (the “Dealer Member”), a Dealer Member of CIRO.<sup>1</sup>

5. At the material time, the Respondent conducted business at a branch of the Dealer Member in the Victoria, British Columbia area (the “Branch”).
6. At the material time, the Respondent was also employed with a bank affiliated with the Dealer Member (the “Bank”). The Bank operated a bank branch at the same location as the Branch.
7. The Respondent is not currently registered in the securities industry in any capacity.

#### **Contravention – Respondent Borrowed Monies from a Client**

8. At the material time, the Dealer Member’s policies and procedures:
  - (a) prohibited its Approved Persons from entering into personal borrowing or lending arrangements with clients; and
  - (b) required its Approved Persons to report existing and reasonably foreseeable conflicts of interest, which were to be avoided or managed in the clients’ best interest.
9. At the material time, client X was a client of the Dealer Member whose accounts were serviced by the Respondent.
10. On July 19, 2024, the Respondent borrowed \$35,000 from client X. Client X provided the Respondent with a cheque issued by the Bank in the amount of \$35,000, which the Respondent deposited into his personal bank account.
11. The Respondent and client X entered into a loan agreement, which provided that the Respondent would repay client X monthly instalments (amount unspecified) from August 31, 2024 to July 31, 2025, with the balance owing to be repaid at that time (the “Loan

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<sup>1</sup> The Respondent was previously registered as a dealing representative with CIBC Securities Inc. from February 25, 2019 until June 11, 2021.

Agreement”). The Loan Agreement did not provide for payment of interest. The Respondent verbally agreed that the monthly instalment amount would be \$1,500.

12. The Respondent used monies he borrowed from client X to pay for his personal expenses and debts.
13. The Respondent did not disclose to the Dealer Member that he had borrowed monies from client X.
14. The matter came to light when, on July 23, 2024, the Bank received a cheque verification request from the Respondent’s bank pertaining to the \$35,000 cheque from client X payable to the Respondent. Branch personnel contacted client X, who informed them of the Loan Agreement with the Respondent.
15. On July 25, 2024, the Dealer Member suspended the Respondent after discovering his misconduct described above.
16. On July 29, 2024, the Respondent resigned during the investigation into his conduct described herein.

#### **Additional Factors**

17. Client X held substantial assets in client X’s accounts at the Dealer Member and the Bank. The Respondent was aware of this when he asked client X to loan monies to him.
18. Client X did not complain about his loan to the Respondent to either the Dealer Member or CIRO.
19. In or around August 2024, the Respondent started to repay client X. Client X advised Staff that he has been repaid approximately \$3,500, and that he has not sought further repayment from the Respondent.
20. The Respondent has not previously been the subject of CIRO or MFDA disciplinary proceedings.

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

#### **PART IV – CONTRAVENTIONS**

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

In July 2024, the Respondent borrowed monies from a client, contrary to Mutual Fund Dealer Rule 2.1.5.

#### **PART V – TERMS OF SETTLEMENT**

23. The Respondent agrees to the following sanctions and costs:
- (i) the Respondent shall be permanently prohibited from conducting securities related business in any capacity while in the employ of or associated with any CIRO Dealer Member, pursuant to Mutual Fund Dealer Rule 7.4.1.1(e);
  - (ii) a fine of \$40,000 pursuant to Mutual Fund Dealer Rule 7.4.1.1(b), comprised of:
    - i. An amount sufficient to disgorge \$31,500, being the amount the Respondent obtained from his contravention of Mutual Fund Dealer Rules; and
    - ii. A fine of \$8,500;
  - (iii) costs of \$5,000, pursuant to Mutual Fund Dealer Rule 7.4.2.
24. 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**

25. 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.

26. 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**

27. This Settlement Agreement is conditional on acceptance by the Hearing Panel.
28. 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.
29. 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.
30. 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.
31. 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.
32. The terms of this Settlement Agreement are confidential unless and until this Settlement Agreement has been accepted by the Hearing Panel.
33. 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.

- 34. 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.
- 35. 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**

- 36. This Settlement Agreement may be signed in one or more counterparts which together will constitute a binding agreement.
- 37. An electronic copy of any signature will be treated as an original signature.

**DATED** this 29th day of March, 2026.

“Witness”  
\_\_\_\_\_  
Witness

“Gaurav (Gavin) Banerjee”  
\_\_\_\_\_  
Respondent- Gaurav (Gavin) Banerjee

“Sam Wu”  
\_\_\_\_\_  
Sam Wu  
Enforcement Counsel on behalf of  
Enforcement Staff of the  
Canadian Investment Regulatory  
Organization

The Settlement Agreement is hereby accepted this 30<sup>th</sup> day of April, 2026 by the following Hearing Panel:

Per: “John Rogers”  
Chair

Per: “Darlene Barker”  
Industry Member

Per: “Darryl Gossen”  
Industry Member

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<sup>i</sup> 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.