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

IN THE MATTER OF
THE INVESTMENT DEALER AND PARTIALLY CONSOLIDATED RULES
AND
JUSTIN ELIAH TOEVS

NOTICE OF HEARING

An initial appearance will be held before a hearing panel of the Canadian Investment Regulatory Organization ("CIRO") pursuant to Rule 8200 of the Investment Dealer and Partially Consolidated Rules (the "Investment Dealer Rules") to schedule a hearing in the matter of Justin Eliah Toevs (the "Respondent"). The initial appearance and the hearing will be subject to Investment Dealer Rule 8400, as further referenced below, that governs the conduct of enforcement proceedings.

The initial appearance will be held by way of videoconference on **Monday, October 26, 2026 at 10:00 a.m. PT**

The purpose of the hearing will be to determine whether the Respondent has contravened CIRO requirements. The alleged contraventions are contained in the attached Statement of Allegations.

If the hearing panel finds that the Respondent contravened CIRO requirements alleged in the Statement of Allegations, the hearing panel may impose one or more of the following sanctions pursuant to section 8210 of the Investment Dealer Rules:

(i) a reprimand,

(ii) disgorgement of any amount obtained, including any loss avoided, directly or indirectly, as a result of the contravention,

(iii) a fine not exceeding the greater of:

  (i) $5,000,000 for each contravention, and

  (ii) an amount equal to three times the profit made or loss avoided by the person, directly or indirectly, as a result of the contravention.

(iv) suspension of the person's approval or any right or privilege associated with such approval, including access to a Marketplace, for any period of time and on any terms and conditions,

(v) imposition of any terms or conditions on the person's continued approval or continued access to a Marketplace,

(vi) prohibition of approval in any capacity, for any period of time, including access to a Marketplace,

(vii) revocation of approval,

(viii) a permanent bar to approval in any capacity or to access to a Marketplace,

(ix) permanent bar to employment in any capacity by a Regulated Person

(x) any other sanction determined to be appropriate under the circumstances.

In addition, pursuant to section 8214 of the Investment Dealer Rules, a hearing panel may order the Respondent to pay any costs incurred by or on behalf of CIRO in connection with the hearing and any investigation related to the hearing.

The Respondent must serve a response to this Notice of Hearing in accordance with section 8415 within 30 days from the effective date of service of this Notice of Hearing. If the Respondent does not file a response in accordance with subsection 8415(1), the hearing panel may proceed with the hearing on its merits on the date of the initial appearance, without further notice to and in the absence of the Respondent, and the hearing panel may accept as proven the facts and contraventions alleged in the Statement of Allegations and may impose sanctions and costs.

If the Respondent files a response in accordance with subsection 8415(1), the initial appearance will be immediately followed by an initial prehearing conference, for which a prehearing conference form must be filed in accordance with subsection 8416(5).

The Respondent is entitled to attend the hearing and to be heard, to be represented by counsel or by an agent, to call, examine and cross-examine witnesses, and to make submissions to the hearing panel at the hearing.

DATED August 27, 2026.

“National Hearing Officer”
NATIONAL HEARING OFFICER
Canadian Investment Regulatory Organization
40 Temperance Street, Suite 2600
Toronto, Ontario, M5H 0B4

IN THE MATTER OF
THE INVESTMENT DEALER AND PARTIALLY CONSOLIDATED RULES
AND
THE DEALER MEMBER RULES
AND
JUSTIN ELIAH TOEVS

STATEMENT OF ALLEGATIONS

Further to a Notice of Hearing dated August 27, 2026. , Enforcement Staff make the following allegations:

PART I – REQUIREMENTS CONTRAVENED

Contravention 1

Between approximately December, 2017 and November, 2023, the Respondent failed to use due diligence to learn and remain informed of the essential facts relative to six clients contrary to Dealer Member Rule 1300.1(a) (prior to January 1, 2022) and Investment Dealer Rule 1300.1(a) (after January 1, 2022); and

Contravention 2

Between approximately January, 2020 and December, 2024 the Respondent failed to use due diligence to ensure that investment recommendations were suitable for six clients contrary to Dealer Member Rule 1300.1(q) (prior to January 1, 2022) and Investment Dealer Rule 1300.1(q) (after January 1, 2022).

PART II – RELEVANT FACTS AND CONCLUSIONS

Overview

1. The Respondent, Justin Eliah Toevs (“Toevs”) is a Registered Representative (“RR”) with Harbourfront Wealth Management Inc. (“Harbourfront”) in Vancouver, British Columbia.

2. Toevs was the RR for six clients, grouped as follows:
   a. AA and PT;
   b. DB; and
   c. JJ, RJ and 6 BC Ltd.

3. Toevs failed to know the Clients, who had limited investment knowledge, and relied on him for his investment advice and expertise. The Clients were either retired or nearing retirement.

4. Toevs failed to use due diligence to ensure that his investment recommendations were suitable for the Clients when he pursued an aggressive and volatile investment strategy which involved significant allocation to higher risk securities primarily in the transportation and technology sectors.

5. The following table summarizes the losses suffered by the Clients:

Client	**Loss**	**% loss**	**Period**
AA	($73,052)	(25.3%)	Jan/21 to Dec/24
PT	($81,721)	(25.3%)	Jan/21 to Dec/24
DB	($57,306)	(13.9%)	Jan/20 to Dec/23
JJ	($306,961)	(54.5%)	Feb/21 to Dec/24
RJ	($304,681)	(47.7%)	Feb/21 to Dec/24
6 BC Ltd.	($300,658)	(22.5%)	Feb/21 to Dec/24
Total	$1,124,379		

Registration History

6. Toevs has been employed as an RR with Harbourfront since November, 2017. He previously worked with another Dealer Member firm from February, 2009 to November, 2017.

Clients AA; PT

(i) Failure to Know Your Client

7. Clients AA and PT are a married couple who live in Vancouver. He is 65 years old (y.o.b. 1961), and works as a college professor. She is 51 (y.o.b 1975) and works in counselling.

8. AA and PT initially met Toevs when he was with a previous Dealer Member firm, but moved with him to Harbourfront in December, 2017, and opened new accounts.

9. At that time, AA was in his late 50's, and he and PT were looking toward retirement. They wanted to grow their portfolios with a balanced approach. Although their account documentation indicated "good" investment knowledge, in reality their investment knowledge was limited. AA and PT relied on Toevs for investment advice and recommendations.

10. AA initially opened a cash account and an RRSP. He later opened a TFSA. The following is a summary of the information on his new client account forms (NCAF) and updates.

AA KYC & NCAF History

				Investment Objectives				Risk Allocation		
Account Type	**Date**	**Net Worth**	**Annual Income**	**Liquidity**	**Income**	**Growth**	**Spec**	**Low**	**Med**	**High**
CAD Cash (New)	12/8/2017	$870,000	$150,000	5%	15%	75%	5%	0%	80%	20%
CAD RRSP (New)	12/8/2017	$870,000	$150,000	5%	15%	75%	5%	0%	80%	20%
CAD Cash (Update)	4/23/2018	$892,000	$150,000	5%	45%	50%		0%	75%	25%
CAD RRSP (Update)	4/23/2018	$892,000	$150,000	5%	45%	50%		0%	75%	25%
CAD Cash (Update)	11/27/2020	$900,000	$150,000	5%	15%	50%	30%	0%	65%	35%
CAD RRSP (Update)	11/27/2020	$900,000	$150,000	5%	15%	50%	30%	0%	65%	35%
CAD TFSA (Update)	11/27/2020	$900,000	$150,000	5%	15%	50%	30%	0%	65%	35%

11. PT initially opened a cash account and a spousal RRSP. She later opened a TFSA, an RRSP, and a LIRA. The following is a summary of the information on her NCAF and updates.

PT KYC & NCAF History

				Investment Objectives				Risk Allocation		
Account Type	**Date**	**Net Worth**	**Annual Income**	**Liquidity**	**Income**	**Growth**	**Spec**	**Low**	**Med**	**High**
CAD Cash (New)	12/8/2017	$ 892,000	$ 34,000	5%	15%	75%	5%	0%	80%	20%
CAD Spousal RRSP (New)	12/8/2017	$ 892,000	$ 34,000	5%	15%	75%	5%	0%	80%	20%
CAD Cash (Update)	4/23/2018	$ 892,000	$ 34,001	5%	45%	50%		0%	75%	25%
CAD Spousal RRSP (Update)	12/8/2017	$ 892,000	$ 34,002	5%	45%	50%		0%	75%	25%
CAD Cash (Update)	11/27/2020	$ 900,000	$ 55,000	5%	15%	50%	30%	0%	65%	35%
CAD Spousal RRSP (Update)	11/27/2020	$ 900,000	$ 55,000	5%	15%	50%	30%	0%	65%	35%
CAD TFSA (New)	11/27/2020	$ 900,000	$ 55,000	5%	15%	50%	30%	0%	65%	35%
CAD Cash (Update)	2/8/2021	$ 900,000	$ 55,000	5%	15%	50%	30%	0%	65%	35%
CAD RRSP (New)	2/8/2021	$ 900,000	$ 55,000	5%	15%	50%	30%	0%	65%	35%
CAD Spousal RRSP (Update)	2/8/2021	$ 900,000	$ 55,000	5%	15%	50%	30%	0%	65%	35%
CAD TFSA (Update)	2/8/2021	$ 900,000	$ 55,000	5%	15%	50%	30%	0%	65%	35%
CAD Cash (Update)	12/6/2022	$ 900,000	$ 90,000	5%	15%	50%	30%	0%	65%	35%
CAD RRSP (Update)	12/6/2022	$ 900,000	$ 90,000	5%	15%	50%	30%	0%	65%	35%
CAD Spousal RRSP (Update)	12/6/2022	$ 900,000	$ 90,000	5%	15%	50%	30%	0%	65%	35%
CAD TFSA (Update)	12/6/2022	$ 900,000	$ 90,000	5%	15%	50%	30%	0%	65%	35%
CAD Cash (Update)	11/5/2023	$ 900,000	$ 90,001		15%	70%	15%	5%	60%	35%
CAD RRSP (Update)	11/5/2023	$ 900,000	$ 90,002		15%	70%	15%	5%	60%	35%
CAD Spousal RRSP (Update)	11/5/2023	$ 900,000	$ 90,003		15%	70%	15%	5%	60%	35%
CAD LIRA (New)	11/5/2023	$ 900,000	$ 90,004		15%	70%	15%	5%	60%	35%
CAD TFSA (Update)	11/5/2023	$ 900,000	$ 90,005		15%	70%	15%	5%	60%	35%

12. In the case of both AA and PT, it is notable that the risk tolerance parameters in their accounts increased as they grew older, increasing to 35% "high risk" allocation across all of their accounts in 2020, and remaining at this level.

13. The stated investment objective and risk tolerance parameters for AA and PT were not consistent with their actual life and financial circumstances, contrary to Dealer Member Rule 1300.1(a) (prior to January 1, 2022) and Investment Dealer Rule 1300.1(a) (after January 1, 2022).

(ii) Suitability

14. Toevs pursued an aggressive investment strategy which relied on a high degree of risk, was concentrated in certain sectors, and produced significant volatility. It was not suitable for AA and PT, who were looking toward retirement.

15. Toevs invested heavily in airline and cruise line sector securities, and later in technology sector securities. These investments were speculative, highly concentrated and volatile.

16. Between May and December, 2020, combined purchases in airline and cruise line sector securities in AA and PT's accounts totaled $212,151. Between December, 2020 and May, 2021, airline and cruise line concentration in AA's accounts made up over 30% of his holdings. Between December, 2020 and April, 2022, airline and cruise line concentration in PT's accounts made up over 40% of her holdings. By May, 2022, these securities were sold for a combined loss of $44,362.

17. Between August, 2022 and July, 2024, combined purchases in technology sector securities in AA and PT's accounts totaled $472,811. Between September, and November, 2022, technology sector securities made up as much as 55% of AA's

holdings. Between August, 2022 and December, 2023, technology sector securities made up as much as 64% of PT's holdings. By November, 2024, Toevs sold off these securities for a combined loss of $122,869.

18. There was also significant volatility. In 2022, the market value of AA's holdings declined by $113,125, or 31.4%, and PT's declined by $104,989, or 38.6%. In 2023, the market value of AA's holdings increased by $2,248, and PT's increased by $11,637.

19. Between January, 2021 and December, 2024, AA and PT experienced a total loss in their accounts of $73,052 and $81,721 respectively, or 25.3% each. During the same time period, the S&P/TSX Composite Index increased by 42.6%.

20. Between 2020 and 2024, Toevs received total net commissions from AA and PT of $18,758.

21. The holdings in their accounts were speculative, and in combination with the very high level of sector concentration, created a high level of volatility and risk. As such, these recommendations were not suitable for AA and PT, in light of their age, investment knowledge and experience, contrary to Dealer Member Rule 1300.1(q) (prior to January 1, 2022) and Investment Dealer Rule 1300.1(q) (after January 1, 2022).

Client DB

(i) Failure to Know Your Client

22. Client DB is now 77 years old (y.o.b. 1949) and a retired engineer who lives in Vancouver. He has been fully retired for 10 years and relies on his investments for income.

23. DB initially met Toevs when he was with a previous Dealer Member, but moved with him to Harbourfront in December, 2017, and opened new accounts. DB's wife passed away in 2020.

24. DB's primary goal with his investments was conservative growth.

25. Although his account documentation indicated "good" investment knowledge, in reality he had limited investment knowledge. DB relied on Toevs for investment advice and recommendations.

26. DB initially opened a TFSA and a RRIF. He later opened a cash account. The following is a summary of the information on his NCAF and updates.

DB KYC & NCAF History

				Investment Objectives				Risk Allocation		
Account Type	Birthdate	Net Worth	Annual Income	Liquidity	Income	Growth	Spec	Low	Med	High
CAD TFSA (New)	3/13/1949	$1,400,000	$65,000	5%	20%	65%	10%	0%	70%	30%
CAD RRIF (New)	3/13/1949	$1,400,000	$65,000	5%	20%	65%	10%	0%	70%	30%
CAD TFSA (Update)	3/13/1949	$1,400,000	$65,000	5%	50%	45%		0%	75%	25%
CAD RRIF (Update)	3/13/1949	$1,400,000	$65,000	5%	50%	45%		0%	75%	25%
CAD Cash (New)	3/13/1949	$2,000,000	$65,000	5%	20%	50%	25%	0%	70%	30%
CAD TFSA (Update)	3/13/1949	$2,000,000	$65,000	5%	20%	50%	25%	0%	70%	30%
CAD RRIF (Update)	3/13/1949	$2,000,000	$65,000	5%	20%	50%	25%	0%	70%	30%

27. Despite DB being retired, and relying on his investments for income, there was zero allocation "low risk" tolerance parameters in his accounts, including his RRIF. Instead, there was between 25% and 30% allocation to "high risk" tolerance parameters throughout the life of his accounts.

28. The stated investment objective and risk tolerance parameters for DB was not consistent with his actual life and financial circumstances, contrary to Dealer Member Rule 1300.1(a) (prior to January 1, 2022) and Investment Dealer Rule 1300.1(a) (after January 1, 2022).

(ii) Suitability

29. Toevs pursued an aggressive investment strategy which relied on a high degree of risk, was concentrated in certain sectors, and produced significant volatility. It was not suitable for DB, who was retired and relied on his investments for income.

30. Toevs invested heavily in airline and cruise line, and later in technology and energy sector securities. These investments were speculative, highly concentrated and volatile.

31. Between June, 2020 and June, 2021, purchases in airline and cruise line sector securities in DB's accounts totaled $318,880. Between February and March, 2021, airline and cruise line sector concentration in his accounts made up over 30% of his holdings. By June, 2022, these securities were sold for a loss of $33,313.

32. Between August, 2022 and August, 2023, purchases in technology and energy sector securities in his accounts totaled $539,364. In August, 2022, technology and energy sector securities made up as much as 56% of his holdings. By January, 2024, Toevs sold off these securities for a loss of $65,201.

33. There was also significant volatility. In 2021, the market value of DB's holdings increased by $101,641, or 14.1%, while in 2022 the market value of his holdings declined by $219,156, or 30.1%.

34. Between January, 2020 and December, 2023, DB experienced a total loss in his accounts of $57,306, or 13.9%. During the same time period, the S&P/TSX Composite Index increased by 21%.

35. Between 2020 and 2023, Toevs received total net commissions from DB of $17,993.

36. The holdings in his accounts were speculative, and in combination with the very high level of sector concentration, created a high level of volatility and risk. As such, these recommendations were not suitable for DB, in light of his age, investment knowledge and experience, contrary to Dealer Member Rule 1300.1(q) (prior to January 1, 2022) and Investment Dealer Rule 1300.1(q) (after January 1, 2022).

Clients JJ; RJ; 6 BC Ltd.

(i) Failure to Know Your Client

37. Clients JJ and RJ are a married couple who live in the Vancouver area. JJ is 69 (y.o.b 1956) and has been retired for four years following work in the healthcare field. RJ is 71 years old (y.o.b. 1954), and worked as a physician until his 2025 retirement. JJ and RJ also own a holding corporation, 6 BC Ltd., which held two rental properties.

38. JJ and RJ engaged with Toevs after JJ saw an online presentation by Toevs in 2020. In March, 2021, they moved their accounts over from another Dealer Member firm to Toevs at Harbourfront.

39. As JJ was retired, and RJ was in his 60's and intending to retire within one year, they did not want to take any risks as they intended to rely on their investments in retirement. Although their account documentation indicated "good" investment knowledge, in reality their investment knowledge was limited. JJ and RJ relied on Toevs for investment advice and recommendations.

40. In January, 2021, JJ opened an RRSP, a spousal RRSP, and a TFSA. Six months later, she opened a cash account, and a RRIF. The following is a summary of the information on her NCAF and updates.

JJ KYC & NCAF History

				Investment Objectives				Risk Allocation		
Account Type	**Date**	**Net Worth**	**Annual Income**	**Liquidity**	**Income**	**Growth**	**Spec**	**Low**	**Med**	**High**
CAD RRSP (New)	1/28/2021	$4,500,000	$80,000	5%	15%	65%	15%	0%	50%	50%
CAD Spousal RRSP (New)	1/28/2021	$4,500,000	$80,000	5%	15%	65%	15%	0%	50%	50%
CAD TFSA (New)	1/28/2021	$4,500,000	$80,000	5%	15%	65%	15%	0%	50%	50%
CAD Cash (New)	6/3/2021	$4,500,000	$80,000	5%	15%	65%	15%	0%	50%	50%
CAD RRIF (New)	6/3/2021	$4,500,000	$80,000	5%	15%	65%	15%	0%	50%	50%
CAD RRSP (Update)	6/3/2021	$4,500,000	$80,000	5%	15%	65%	15%	0%	50%	50%
CAD Spousal RRSP (Update)	6/3/2021	$4,500,000	$80,000	5%	15%	65%	15%	0%	50%	50%
CAD TFSA (Update)	6/3/2021	$4,500,000	$80,000	5%	15%	65%	15%	0%	50%	50%

41. Also in January, 2021, RJ opened an RRSP and a TFSA. The following is a summary of the information on his NCAF and updates.

RJ KYC & NCAF History

				Investment Objectives				Risk Allocation		
Account Type	**Date**	**Net Worth**	**Annual Income**	**Liquidity**	**Income**	**Growth**	**Spec**	**Low**	**Med**	**High**
CAD RRSP (New)	1/28/2021	$4,500,000	$300,000	5%	15%	65%	15%	0%	50%	50%
CAD TFSA (New)	1/28/2021	$4,500,000	$300,000	5%	15%	65%	15%	0%	50%	50%

42. JJ and RJ also opened an account for 6 BC Ltd, summarized as follows:

6 BC Ltd. KYC & NAAF History

					Investment Objectives				Risk Allocation		
Account Type	Date	Date of Incorporation	Net Worth	Annual Income	Liquidity	Income	Growth	Spec	Low	Med	High
CAD Cash (New)	1/28/2021	3/8/2004	$2,500,000	$300,000	5%	15%	65%	15%	0%	50%	50%
USD Cash (New)	2/25/2021	3/8/2004	$2,500,000	$300,000	5%	15%	65%	15%	0%	50%	50%

43. Despite both being in their mid 60’s, JJ being retired, and RJ planning to retire within one year, there was zero allocation to “low risk” tolerance parameters in their accounts. Instead, all of their accounts contained 50% allocation to “high risk” tolerance parameters and remained at this level.

44. The stated investment objective and risk tolerance parameters for JJ, RJ and 6 BC Ltd. were not consistent with JJ and RJ’s actual life and financial circumstances, contrary to Dealer Member Rule 1300.1(a) (prior to January 1, 2022) and Investment Dealer Rule 1300.1(a) (after January 1, 2022).

(ii) Suitability

45. Toevs pursued an aggressive investment strategy which relied on a high degree of risk, was concentrated in certain sectors, and produced significant volatility. It was not suitable for JJ, RJ and 6 BC Ltd. JJ was retired and RJ was planning to retire within one year.

46. Toevs invested heavily in airline and cruise line sector securities, and later in technology sector securities. These investments were speculative, highly concentrated and volatile.

47. Between March and June, 2021, combined purchases in airline and cruise line sector securities in JJ, RJ and 6 BC Ltd.'s accounts totaled $758,398. Between April and May, 2021, airline and cruise line sector concentration in JJ's accounts made up over 35% of her holdings. Between March and September, 2021, airline and cruise line sector concentration in RJ and 6 BC Ltd.'s accounts made up over 20% of the combined holdings. By May, 2022, these securities were sold for a combined loss for JJ, RJ and 6 BC Ltd. of $184,744.

48. Between February, 2022 and July, 2024, combined purchases in technology sector securities in JJ, RJ and 6 BC Ltd.'s accounts totaled $1,896,365. Between August and November, 2022, technology sector securities made up as much as 71% of JJ's holdings, 74% of RJ's holdings, and 66% of 6 BC Ltd.'s holdings. By July, 2024, Toevs sold off these securities for a combined loss of $602,893.

49. There was also significant volatility. In 2022, the market value of JJ's holdings declined by $356,686, or 46.7%, RJ's declined by $402,648, or 48.4%, and 6 BC Ltd declined by $649,813, or 38.9%. In 2023, the market value of JJ's holdings increased by $110,134, or 25.9%, RJ's increased by $116,223, or 22.9%, and 6 BC Ltd.'s increased by $183,958, or 18%.

50. Between February, 2021 and December, 2024, JJ, RJ and 6 BC Ltd. experienced respective losses in their accounts of $306,961, $304,681 and $300,658, or 54.5%, 47.7%, and 22.5%. During the same period of time, the S&P/TSX Composite Index increased by 36.8%.

51. Between 2021 and 2024, Toevs received total net commissions from JJ, RJ and 6 BC Ltd. of $20,868.

52. The holdings in their accounts were speculative, and in combination with the very high level of sector concentration, created a high level of volatility and risk. As such,

these recommendations were not suitable for JJ, RJ and 6 BC Ltd., in light of JJ and RJ's age, investment knowledge and experience, contrary to Dealer Member Rule 1300.1(q) (prior to January 1, 2022) and Investment Dealer Rule 1300.1(q) (after January 1, 2022).

DATED at Vancouver , British Columbia this August 27, 2026.