



**CIRO • OCRI**

Canadian Investment  
Regulatory  
Organization

Organisme canadien  
de réglementation  
des investissements

**Notice of Settlement Hearing**

**File No. 202403**

**IN THE MATTER OF  
THE MUTUAL FUND DEALER RULES<sup>i</sup>  
and  
BENJAMIN THOMAS BANKS**

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**NOTICE OF SETTLEMENT HEARING**

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**NOTICE** is hereby given that a hearing will be held electronically by videoconference before a hearing panel (the “Hearing Panel”) of the Canadian Investment Regulatory Organization (“CIRO”) on **April 10, 2024, at 10:00 MST** or as soon thereafter as the hearing can be held, to consider whether, pursuant to Mutual Fund Dealer Rule 7.4.4, the Hearing Panel should accept the settlement agreement (the “Settlement Agreement”) entered into between Staff of CIRO and Benjamin Banks (the “Respondent”).

The subject matter of the proposed Settlement Agreement concerns matters for which the Respondent may be disciplined as an Approved Person of CIRO, pursuant to Rules 7.3 and 7.4.1.1 of the Mutual Fund Dealer Rules.

## **PARTICULARS**

1. The proposed Settlement Agreement concerns allegations that:<sup>ii</sup>

(a) Between July 9, 2020 and November 20, 2020, the Respondent engaged in discretionary trading by processing trades without obtaining client instructions with respect to all elements of the trades, contrary to the Dealer Member's policies and procedures and Mutual Fund Dealer Rules 2.3.1(b) and 2.1.1. (formerly MFDA Rules 2.3.1(b) and 2.1.1); and

(b) Between January 3, 2020 and May 17, 2021, the Respondent failed to:

(i) verify client trade instructions received by email; and

(ii) record notes of client trade instructions or authorization

contrary to the Dealer Member's policies and procedures and Mutual Fund Dealer Rules 2.1.1, 5.1(b), 1.1.2 (as it relates to Rule 2.5.1) (formerly MFDA Rule 2.1.1, 5.1(b), and 1.1.2 (as it related to Rule 2.5.1)).

2. Settlement hearings of CIRO are typically held in the absence of the public pursuant to Mutual Fund Dealer Rule 7.3.5 and Rule 15.2(2) of the MFDA Rules of Procedure. If the Hearing Panel accepts the settlement agreement, then the proceeding will become open to the public and a copy of the decision of the Hearing Panel and the settlement agreement will be made available at [www.ciro.ca](http://www.ciro.ca).

**DATED** this 9<sup>th</sup> day of February, 2024.

"Michelle Pong"

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Michelle Pong  
Director, District Hearing Committees,  
Mutual Fund Dealer Division

Canadian Investment Regulatory Organization  
121 King Street West, Suite 1000  
Toronto, ON M5H 3T9  
Telephone: 416-945-5143  
Email: [hearings@ciro.ca](mailto:hearings@ciro.ca)

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<sup>i</sup> On January 1, 2023, the Investment Industry Regulatory Organization of Canada (“IIROC”) and the Mutual Fund Dealers Association of Canada (the “MFDA”) were consolidated into a single self-regulatory organization recognized under applicable securities legislation that is called the Canadian Investment Regulatory Organization (referred to herein as “CIRO”). CIRO adopted interim rules that incorporate the pre-amalgamation regulatory requirements contained in the rules and policies of IIROC and the by-law, rules and policies of the MFDA (the “Interim Rules”). The Interim Rules include (i) the Investment Dealer and Partially Consolidated Rules, (ii) the UMIR and (iii) the Mutual Fund Dealer Rules. These rules are largely based on the rules of IIROC and certain by-laws, rules and policies of the MFDA that were in force immediately prior to amalgamation. Where the rules of IIROC and the by-laws, rules and policies of the MFDA that were in force immediately prior to amalgamation have been incorporated into the Interim Rules, Enforcement Staff have referenced the relevant section of the Interim Rules. Pursuant to Mutual Fund Dealer Rule 1A and s.14.6 of By-Law No. 1 of CIRO, contraventions of former MFDA regulatory requirements may be enforced by CIRO.

<sup>ii</sup> At the time of the conduct addressed in this proceeding, MFDA Rules 2.1.1, 2.3,1(b), 5.1(b), 1.1.2 (as it relates to 2.5.1) were in effect and are now incorporated into Mutual Fund Dealer Rules 2.1.1, 2.3,1(b), 5.1(b), 1.1.2 (as it relates to 2.5.1) referred to in this proceeding. On July 7, 2022, amendments to MFDA Rule 1.1.2 came into effect. As the conduct addressed in this proceeding pre-dated the amendments to this Rule, the version of MFDA Rule 1.1.2 that was in effect prior to July 7, 2022 is applicable to this proceeding.