



**CIRO • OCRI**

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**

**YUJIE (JARED) LIU and BMO NESBITT BURNS INC.**

**NOTICE OF APPLICATION FOR SETTLEMENT HEARING**

Enforcement Staff will bring an application to a hearing panel of the Canadian Investment Regulatory Organization (“CIRI”)<sup>1</sup> requesting that it accept a settlement agreement between Enforcement Staff, Yujie (Jared) Liu, and BMO Nesbitt Burns Inc. pursuant to sections 8215 and 8428 of the Investment Dealer and Partially Consolidated Rules (the “Investment Dealer Rules”).

**THE SETTLEMENT AGREEMENT**

The settlement agreement addresses proposed allegations that between December 2017 and May 2019,

- a) Yujie (Jared) Liu contravened Dealer Member Rule 1300.1 (p) and (q) by failing to use due diligence to determine the suitability of an investment strategy in certain client accounts; and
- b) BMO Nesbitt Burns Inc. contravened Dealer Member Rules 38.1 and 2500A by failing to implement a system of supervision and control in respect of the trading activity in certain client accounts, particularly with respect to the suitability obligations owing by it and its Registered Representative and in respect of the supervision of the client accounts.

## THE SETTLEMENT HEARING

The settlement hearing will be held by videoconference on **March 28, 2023** at 9:30 a.m. ET.

The hearing is not open to the public, but the public will be notified if the settlement agreement is accepted. If the settlement agreement is accepted, it will be made public together with the hearing panel's reasons.

**DATED** March 25, 2024

**"National Hearing Officer"**

**NATIONAL HEARING OFFICER**

Canadian Investment Regulatory Organization  
Suite 2000, 121 King Street West  
Toronto, Ontario, M5H 3T9

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<sup>1</sup> On January 1, 2023, IIROC and the MFDA were consolidated into a single self-regulatory organization recognized under applicable securities legislation.

The Canadian Investment Regulatory Organization ("CIRO") has 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 the rules and certain by-laws and policies of the MFDA that were in force immediately prior to amalgamation. Where the rules of IIROC and the rules and by-laws 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.

Section 1105 (Transitional provision) of the Investment Dealer and Partially Consolidated Rules sets out CIRO's continuing jurisdiction, including that CIRO shall continue the regulation of any person subject to the jurisdiction of the Investment Industry Regulatory Organization of Canada that was formerly conducted by the Investment Industry Regulatory Organization of Canada.