Enforcement Report

Fiscal Year 2026

(April 1, 2025 to March 31, 2026)

CIRO · OCRI

Canadian Investment Regulatory Organization

Organisme canadien de réglementation des investissements

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Introduction

Message from the Vice-President, Enforcement and Vice-President, Complaint Intake and Operations

We are pleased to present CIRO's Enforcement Report for the 2026 fiscal year (April 1, 2025 to March 31, 2026). Firm, fair and effective enforcement is critical to protecting investors, enhancing industry standards, and strengthening market integrity. Each year, we publish the Enforcement Report to update investment and mutual fund firms, their representatives, the public and regulatory stakeholders about our activities and priorities.

Delivering on Integration Priorities and Modernizing Regulatory Operations

As we wrap up the third year following the consolidation of CIRO's predecessor organizations, the Investment Industry Regulatory Organization of Canada (IIROC) and the Mutual Fund Dealers Association of Canada (MFDA), we are pleased to report that most of our integration priorities have now been completed.

CIRO continues to modernize its regulatory approach by integrating systems, policies and processes to strengthen regulatory effectiveness. By moving to a single case management system, a single document management system, and a unified set of policies and procedures, CIRO has improved operational efficiency and consistency across Enforcement activities, reduced duplication, and strengthened investor protection. These integration efforts advanced further with the adoption of a single reporting system, with all CIRO dealer members now reporting complaints and other reportable events under CIRO rules through the Complaints and Settlement Reporting System (ComSet).

Additionally, as part of CIRO's ongoing Rule Consolidation Project—which will bring together the two member regulation rule sets currently applicable to investment dealers and to mutual fund dealers into one set of member regulation rules—we continue to work with CIRO's policy group on the development of new rules relating to reporting and handling of complaints, internal investigations and other reportable matters, which were included as part of the final **proposed consolidated rules** published for comment in February 2026.

In support of CIRO's vision to be an agile and trusted regulator, Enforcement published a **Document Production Guide** to assist individuals and dealer members with submitting documents, correspondence and other records to members of the Enforcement team. This effort is intended to promote efficiency, clarity and cooperation between Enforcement and its Regulated Persons.

Protecting Investors

Over the past fiscal year, Enforcement, working closely with CIRO's Complaints & Inquiries group (C&I), has made significant contributions to protecting investors from unfair, improper or fraudulent practices and safeguarding the integrity of Canadian capital markets. Building on CIRO's existing authority to seek disgorgement orders following findings of registrant misconduct, CIRO launched a new **Disgorgement Distribution Program** on April 1, 2026. In certain cases, the program enables the distribution of disgorged funds to investors who have suffered direct financial losses. With clear eligibility criteria, robust governance controls, and strong oversight mechanisms in place to ensure distributions are managed transparently, consistently and in the best interests of harmed investors, the program represents a significant milestone in enhancing investor protection, improving regulatory outcomes, promoting fairness and supporting confidence in Canada's investment industry. Enforcement will continue to prioritize seeking disgorgement, where applicable, in relation to enforcement proceedings.

In addition to ongoing efforts to warn the public about potentially harmful scams through publishing investor alerts, CIRO's C&I team is continuing to work with the Canadian Securities Administrators (CSA) and other stakeholders to disrupt fraudulent activity targeting Canadian investors. In collaboration with securities regulators and a leading website security services provider, CIRO and the CSA launched a new initiative in June 2025 and formally announced it in December 2025 to detect and remove fraudulent websites faster and more efficiently. As of April 2026, the initiative has successfully disabled more than 9,119 fraudulent investment platforms and cryptocurrency scam websites involving 15,615 individual URLs.

Fulfilling Our Mandate

We want to thank the Enforcement team for their efforts over the past year, which were critical to our success in delivering on our core mandate. As we look ahead to Fiscal Year 2027, which marks the final year of CIRO's three-year Strategic Plan, Enforcement will remain focused on prioritizing cases involving serious misconduct and the greatest potential harm to investors and the markets.

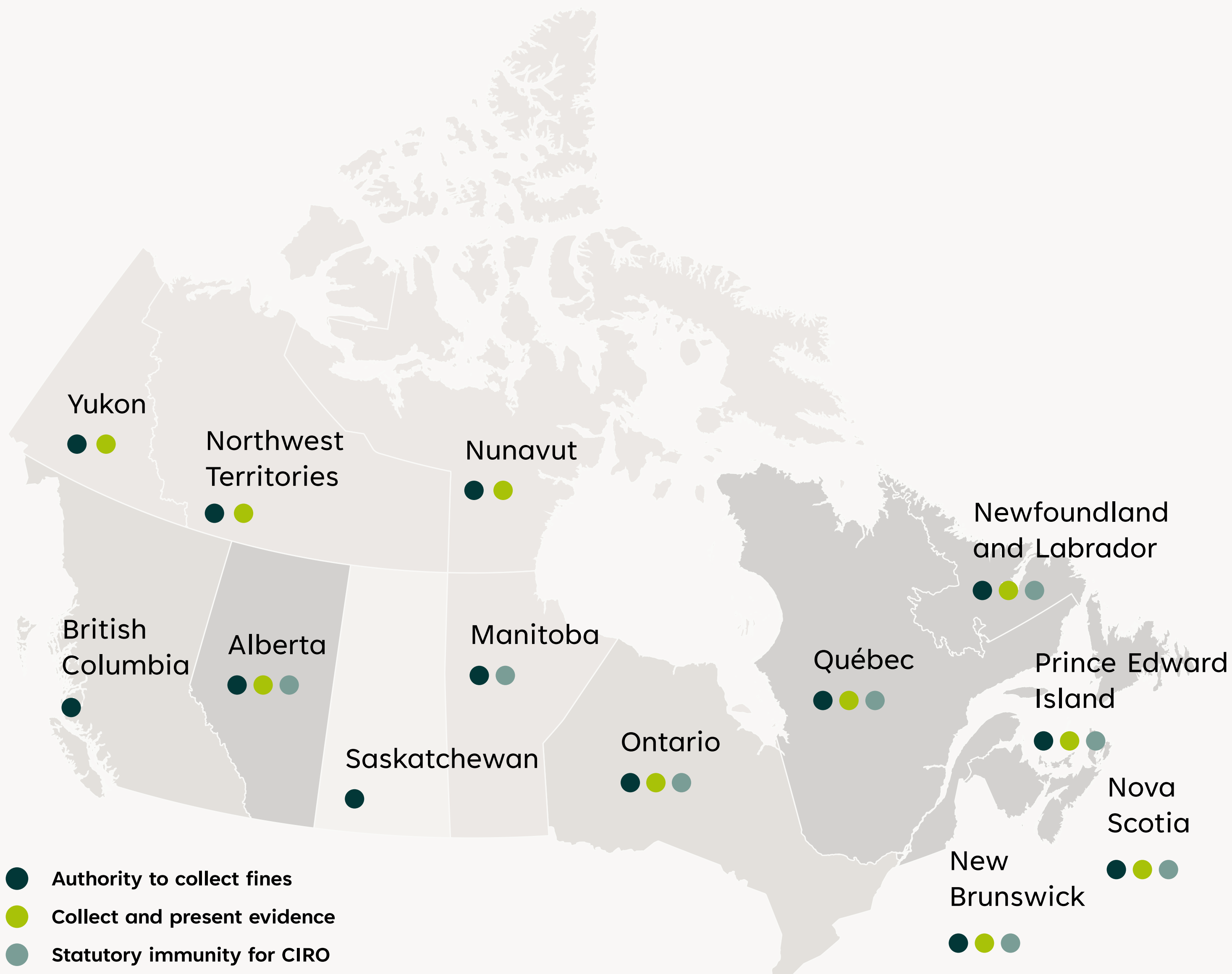
Finally, we also wish to thank the CSA and their provincial and territorial governments, our valued stakeholders including industry and investor organizations, as well as other regulatory authorities for their continued support and collaboration as we work together to protect investors, enhance market integrity, and support confidence in Canada's capital markets.

Charles Corlett
Vice-President, Enforcement

Charles Toth
Vice-President, Complaint Intake and Operations

Legal Authority Map

Since 2017, every province and territory has taken action to enhance CIRO's enforcement powers. CIRO now has fine collection authority across the country.



- Authority to collect fines
- Collect and present evidence
- Statutory immunity for CIRO

Yukon

November 2018: collect fines and collect/present evidence

Northwest Territories

November 2018: collect fines and collect/present evidence

Nunavut

November 2018: collect fines and collect/present evidence

British Columbia

May 2018: collect fines

Alberta

June 2000: collect fines

June 2017: collect/present evidence and statutory immunity

Saskatchewan

May 2019: collect fines

Manitoba

June 2018: collect fines and statutory immunity

Ontario

May 2017: collect fines

June 2025: collect/present evidence and statutory immunity

Québec

June 2013: collect fines

June 2018: collect/present evidence and statutory immunity

New Brunswick

December 2019: collect fines, collect/present evidence and statutory immunity

Nova Scotia

October 2018: collect fines, collect/present evidence and statutory immunity

Prince Edward Island

January 2017: collect fines

December 2018: collect/present evidence and statutory immunity

Newfoundland and Labrador

November 2021: collect fines, collect/present evidence and statutory immunity

The Role of Enforcement

Enforcement is responsible for investigating and commencing proceedings against dealer members and their Approved Persons, while striving to be fair, effective and timely.

Effective enforcement requires coordinated and cooperative efforts among regulators and other agencies. Where Enforcement detects any potential violations of provincial or territorial securities acts, we refer such matters to the relevant CSA jurisdiction. The CSA is the council of 10 provincial and three territorial securities regulators in Canada, with the mission to facilitate Canada's securities regulatory system by protecting investors from unfair, fraudulent practices and by promoting fair, efficient and transparent markets through the development of harmonized securities regulations, policies and practices.

We work collaboratively with CSA jurisdictions on matters of mutual interest. We also make referrals to other domestic or foreign regulators and agencies and, if there is evidence of potential criminal activity, to the police.

Enforcement files may be opened from a variety of sources. External case sources come to us through public complaints, CIRO's whistleblower service, ComSet, referrals from outside public agencies such as securities commissions, other securities regulators provincially and internationally, police and others. Enforcement also receives case referrals from internal sources and departments at CIRO including C&I, Registration, Business Conduct Compliance (BCC), Financial & Operations Compliance (FinOps), Trading Conduct Compliance (TCC), Trading Review & Analysis (TR&A) and Market Surveillance.

Internal Sources | **External Sources**

Case Assessment

Initial review to determine whether there is sufficient evidence of a breach of CIRO's rules that warrants the opening of a formal investigation.

Close | **Referrals**

Investigation

Collection, review of relevant evidence relating to the case. If the evidence can establish a material breach of CIRO's rules, the matter will be forwarded to prosecutions.

Close | **Referrals**

Prosecutions

The initiation of formal disciplinary action against a Respondent (Dealer Member or individual registrant). The formal hearing will take place before a CIRO hearing panel, an expert administrative panel consisting of an independent chair from the legal community and two industry members.

Disciplinary Proceedings

Contested Hearings

Settlement Hearings

Temporary Order Applications (ID only)

Protective Order Applications (ID only)

Use of Fines and Cost Awards

All fines collected can only be used for certain purposes as designated in the CSA's Recognition Orders of CIRO. This includes education or research projects that are in the public interest, the administration of disciplinary panels and/or the development of programs or systems to address emerging regulatory issues that relate to investor protection or the integrity of the capital markets.

Penalties

If a Dealer Member or individual registrant is found to have violated CIRO rules, the following penalties may be imposed:

Firms

- A reprimand
- Fines, up to a maximum of $5 million per contravention or an amount equal to three times the profit made, or loss avoided
- Imposition of conditions on membership
- A period of suspension
- Expulsion

Individuals

- A reprimand
- Fines, up to a maximum of $5 million per contravention or an amount equal to three times the profit made, or loss avoided
- Imposition of conditions on membership
- A period of suspension
- A permanent ban

Year in Review

Over the past fiscal year, we continued to focus our resources to pursuing the most significant and serious cases where the risks of non-compliance and misconduct pose significant harm to investors and market integrity. The cases we advanced were focused on issues of central importance to the securities industry: the effectiveness of supervision and internal controls, and the obligation for regulated entities and individuals to act as gatekeepers to the capital markets to protect public confidence in the integrity of those markets.

In settlements and contested proceedings, Enforcement sought significant sanctions to prevent and deter future misconduct by individuals and firms and to discourage others from engaging in similar practices. As a result of these efforts, CIRO hearing panels imposed over $15 million in sanctions this year and imposed suspensions and permanent bars in most cases against individuals. We continued our focus on pursuing disgorgement orders to remove any incentive for individuals or firms to be non-compliant with the CIRO regulatory requirements and the high standards of conduct expected of CIRO-regulated persons.

Where CIRO detects any potential market-related violations by clients of CIRO-regulated firms, we refer such matters to the relevant CSA jurisdiction. Both Enforcement and CIRO's TR&A departments work with CSA jurisdictions on matters of mutual interest. In Fiscal Year 2026, TR&A referred 86 market-related cases to the CSA: manipulation (32), insider trading (9) and other Securities Act violations (45).

In this report, we lay out various metrics to provide transparency into Enforcement's activities and achievements. The quality of our enforcement program should also be measured by the regulatory significance and deterrent impact of the proceedings. The case highlights we have selected demonstrate the wide range of issues and misconduct we addressed and our commitment to our mandate to protect investors, promote market integrity, and enhance public confidence in Canada's capital markets.

Selected Case Highlights

Protecting Investors from Unfair, Improper or Fraudulent Practices

CIRO requires dealer members and Approved Persons to deal with their clients honestly and fairly and observe high standards of business conduct to maintain investor confidence in securities markets.

Between 2016 and 2022, while a futures trading advisor with RBC Dominion Securities (RBC DS) Inc., **Regan Donald Eric Espeseth** engaged in discretionary trading in the futures accounts of 33 clients. Futures trading carries significant risks, including high leverage, market volatility, and the potential for substantial financial losses. Although Espeseth discussed overall strategy and risk tolerance with clients—and clients received daily trade confirmations—he placed a high volume of trades without obtaining advance client approval for specifics such as quantity, security, price or timing, in contradiction of RBC DS policies and CIRO rules. He also submitted falsified trade tickets, which concealed his conduct from RBC DS. Espeseth's trading was highly lucrative for himself, his firm, and most of his clients. However, two clients experienced losses, with one losing $500,000 in four months. After this client filed a complaint against Espeseth and RBC DS opened an internal investigation into his trading practices, he self-reported his conduct to CIRO and agreed to pay a fine of $75,000, disgorgement of $600,000 and costs of $20,000.

Hongjia Liu engaged in discretionary trading in the futures accounts of 23 different clients between June 2017 and December 2019, when he was working as a Registered Representative at RBC DS. Liu took a "one-size-fits-all" approach to his futures clients, employing a high-volume and high-risk trading strategy. For a significant percentage of his trades, Liu did not obtain approval for the specifics of each trade in advance; instead, he only discussed broad strategies with the clients. Almost all of the clients experienced substantial losses in their futures accounts, while the trading approach resulted in significant commissions for Liu and RBC DS. Liu admitted that he engaged in discretionary trading after an internal investigation into his conduct by RBC DS, prompted by a client complaint. The hearing panel imposed a six-month suspension from acting in a registered capacity and ordered him to pay a fine of $75,000, disgorgement of $225,000 and costs of $15,000.

In 2021, while working at Quadrus Investment Services Ltd., **Louis Josh Lieff** engaged in securities related business outside the dealer member and misconduct by recommending, selling or facilitating investments in a used vehicle purchase and resale scheme. Investors provided short term loans to a third party business to buy used vehicles in exchange for a promised return upon resale. Without the dealer member's knowledge or approval, Lieff introduced the opportunity, provided information to investors, and transferred funds between investors and the vehicle business. Approximately 50 individuals invested about $21.5 million in the scheme, and Lieff made a substantial profit from the difference between the return he received and the return he promised investors. In August 2021, the vehicle business ceased payments and investors collectively lost approximately $9.8 million. Lieff was sanctioned by a hearing panel with a permanent prohibition from conducting securities-related business while in the employ of or associated with any dealer member. Sanctions also included a fine of $200,000, costs of $15,000 and disgorgement of $238,073.

Over a 15-month period between 2020 and 2021, **Omer Naek** made unauthorized transfers and misappropriated funds from three of his clients, who were vulnerable seniors or deceased when the misconduct occurred. Naek committed numerous fraudulent acts, including unlawfully opening bank accounts, to make the transfers and misappropriate the funds, which resulted in significant harm to his clients. In total, approximately $204,000 CAD and $15,000 USD were misappropriated. In addition to this misconduct, Naek failed to attend an interview with Enforcement Staff and answer their questions after an investigation was initiated. The hearing panel imposed a permanent prohibition, a fine of $100,000 and disgorgement of $59,153. He was also ordered to pay costs of $5,000.

Matthew Philip Ewing engaged in conduct which fell below professional standards over an extended period while working as a Registered Representative with RBC DS and National Bank Financial. Ewing either sent, or allowed to be sent from his personal email, overviews of client accounts that were clearly unreliable and contained inflated values. While he maintained that he did not send the overviews himself, he failed to supervise his associates with appropriate due diligence, allowing them free access to his own business and personal email.

Furthermore, Ewing also engaged in personal financial dealings with several clients in excess of $2 million, which involved borrowing and reimbursing clients, receiving unexplained payments from clients into an account he held jointly with his (now) wife, and co-mingling client funds into this joint account, which most likely were used to buy investments that he was ineligible to purchase.

Ewing displayed a pattern of reckless and harmful behaviour that harmed the reputation of the securities industry. A hearing panel found him liable and sanctioned him with a 10-year suspension from registration in any capacity, a fine of $75,000 and costs of $50,000. The panel also imposed conditions that any future registered activity be subject to successful completion of the then-current Conduct and Practices Handbook examination and one year of supervision.

Between 2018 and 2020, **Kevin Douse** misappropriated $277,172 from five clients of his firm, Quadrus Investment Services Ltd., as well as two other individuals whom he falsely led to believe he had opened accounts for. Douse exploited the trust of his clients—who were in some cases also friends or acquaintances—to carry out the fraud, causing significant financial, emotional and personal harm. On several occasions, Douse took cheques clients gave him to deposit into their investment accounts and instead deposited them into his own personal accounts. To disguise his deceit, he repeatedly made payments from his personal bank accounts to clients after they requested money from their accounts, and also provided clients with fabricated portfolio summaries that falsely represented the value of their investments or were for accounts that did not exist. Douse continued his misappropriation after he resigned from Quadrus, stealing an additional $236,429 from the five clients and two other individuals.

In addition to his misconduct, Douse failed to cooperate with CIRO's investigation. The hearing panel permanently prohibited him from conducting securities-related business in any capacity while in the employ of or associated with any dealer member, and issued a fine of $530,000 and costs of $30,000.

Between 2020 and 2022, while working at Scotia Securities Inc., **Marc-Antoine Ladeiro** misappropriated $354,700 from two elderly clients. His misconduct included recording false notes in the clients' files and executing hundreds of unauthorized transfers into "synthetic" accounts—fictitious accounts in the name of non existent persons—which he created and controlled. This deliberate, covert scheme was a protracted and egregious breach of Ladeiro's obligations as an Approved Person. The hearing panel sanctioned him with a permanent prohibition from conducting securities-related business while in the employ of or associated with any dealer member, and a fine of $1,064,100.

While working at Investors Group Financial Services Inc., **Michael Rolland Smith** misappropriated $460,126 from a 74-year-old retired client by processing 236 mutual fund redemptions and 200 electronic cash withdrawals from the client's accounts without their knowledge or consent. Smith directed the proceeds of redemption and the electronic cash withdrawals to his own bank account by submitting to the dealer member a banking customer account information form that falsely portrayed his bank account as belonging to the client. He also stole an additional $26,500 from the client by completing and adding his name as the payee on four blank cheques that they provided him to make investments with the dealer member.

In addition, without authorization, Smith completed and submitted for processing two account forms to change the beneficiary of the client's two registered accounts to members of his family. Smith failed to cooperate with an investigation into his conduct initiated by Enforcement Staff after a complaint was filed. A hearing panel sanctioned him with a permanent prohibition from conducting securities-related business, a fine of $1,509,879 and costs of $20,000.

Selected Case Highlights

Improving Industry Standards

In every investigation, Enforcement assesses whether a dealer member has fulfilled its compliance, supervision and internal control obligations. When advancing proceedings against firms, Enforcement's focus is not merely on sending a deterrence message to prevent a repetition of the failure by that firm, but on ensuring that the firm has implemented adequate remedial measures to prevent against reoccurrence. Remedial measures that are tailored to the specific compliance and supervision failings are an important element in improving overall business standards and practices.

National Bank Financial (NBF) failed to adequately supervise the trading activity of Matthew Philip Ewing with respect to note-taking and suitability while he was a Registered Representative with the firm from April 2021 to November 2022. Ewing and his associate generated a very high volume of trading activity beginning in April 2021—sometimes exceeding 200 trades per day—which raised a red flag for potential discretionary trading. While NBF trade reviews throughout 2021 revealed deficiencies in the quality of his note-taking as well as many cases where notes were missing altogether, NBF failed to sufficiently question Ewing's trading transactions to identify potential discretionary trades and over-relied on his explanations during their reviews, which were later found to be inaccurate or incorrect.

In addition, NBF also failed to take timely and adequate action to address Ewing's apparent unsuitable trading and excessive margin use. In December 2021, NBF noted that almost 35% of Ewing's book was invested in six high-risk securities and documented concerns that Ewing had more clients using margin than any other NBF advisor. Ewing again gave insufficient explanations and his behaviour continued until he was suspended in October 2022. In a settlement, NBF agreed to pay a fine of $1 million and costs of $50,000.

Supervisory failures were central to the case against **PFSL Investments Canada Ltd.** PFSL failed to implement adequate supervisory controls in relation to its use of electronic signature platforms. Between 2021 and 2024, PFSL failed to prevent, detect or investigate multiple occasions of Approved Persons using the electronic signature platforms to sign the names of clients, which only came to light through client complaints, chance discoveries and voluntary admissions. PFSL also failed to implement adequate internal controls to oversee how trusted contact person designations were obtained from clients, and its policies and procedures allowing Approved Persons to accept appointments as a power of attorney and executor for a client contravened CIRO's Mutual Fund Dealer Rules. Additionally, PFSL failed to investigate large and atypical redemptions in the accounts of a client processed by one of its Approved Persons, as well as subsequent large and atypical investments made into the accounts of that Approved Person and their spouse. PFSL agreed to pay a fine of $250,000 and costs of $15,000.

Promoting Market Integrity

Enforcement's efforts to strengthen market integrity focus on enforcing the Universal Market Integrity Rules (UMIR), the rules governing trading on CIRO-regulated marketplaces, and ensuring that employees and Approved Persons perform their role as gatekeepers to the capital markets, detecting and preventing potentially manipulative and deceptive activity. Investment dealers and their Approved Persons occupy a privileged role in the securities regulatory framework and act as intermediaries, providing access to the markets. The gatekeeper role is a fundamental obligation to protect market integrity and the reputation of the capital markets.

Echelon Wealth Partners Inc. (now Ventum Financial Corp.) and Stephen Burns, a Registered Representative at the firm, failed to act as gatekeepers to the capital markets and failed to use due diligence to learn and remain informed of the essential facts relative to the accounts and orders of four foreign broker-dealers that were engaging in U.S. over-the-counter (OTC) trading. There are significant risks associated with trading OTC securities, as they are generally illiquid, volatile, and frequent targets of alleged market manipulation and fraud. Burns, who opened the accounts at Echelon and served as the primary contact, did not conduct adequate identity verification or due diligence on the foreign broker-dealers and did not question their trading activity when they repeatedly transferred in OTC securities of U.S. issuers, liquidated large amounts of the securities, and wired out the proceeds of the sales. Echelon was ordered to implement remedial measures and pay a fine of $500,000, disgorgement of $1.7 million, and costs of $100,000. Burns was sanctioned with a $100,000 fine, a six-month suspension and costs of $25,000.

In 2025, **Canaccord Genuity Corp.** admitted it failed to act as a gatekeeper to the capital markets when it opened and operated accounts for Crito Capital LLP despite numerous warning signs that the accounts were being used to sell large volumes of risky, low-priced securities listed or traded over-the-counter in the U.S. on behalf of various underlying clients. Crito LLP wanted to trade through accounts at Canaccord because it did not yet have permission to receive and transmit orders through its U.S.-based broker-dealer, Crito LLC. Crito LLP disclosed to Canaccord that it operated as an introducing broker and clearing agent for GEL Direct Trust, which would become the subject of an SEC complaint for acting as an unregistered broker in selling penny stocks. Despite becoming aware of the allegations against GEL Direct Trust in November 2022, Canaccord continued to execute trades on behalf of Crito LLP. Canaccord traders and compliance staff noticed suspicious trading activity, but concerns were either not reported or investigated. Canaccord agreed to pay a fine of $600,000, disgorgement of $2.2 million and costs of $50,000.

Virtu Canada Corp. admitted that it failed to immediately expose client orders of 50 standard trading units or less on a marketplace that displays orders, contrary to section 6.3 of the Universal Market Integrity Rules (UMIR). The contraventions occurred between July 2022 and May 2023, when Virtu implemented a proprietary routing program intended to provide its client, which offered order execution services, with principal liquidity, potential price and size improvement on orders, and reduced order execution costs. The routing program was designed to withhold orders briefly to identify internalization opportunities for Virtu to trade as principal. In doing so, it also captured small retail client orders subject to UMIR 6.3's order exposure requirement. Additionally, the program did not provide a better price on certain client-principal trades, which is also required under UMIR 6.3. Virtu voluntarily discontinued the use of the routing program as of May 31, 2023, after CIRO's Market Regulation Policy department expressed concerns that it did not meet regulatory requirements. Virtu was ordered to pay a fine of $1.1 million, disgorgement of $405,789 and costs of $25,000.

Statistics

To access historical data, visit the Reports page on the CIRO website.

Enforcement Sanctions and Fine Collection

Individuals

	FY26	FY25	FY24
Decisions	39	50	65
Fines	$6,266,999	$4,992,523	$7,616,342
Costs	$392,113	$473,875	$545,908
Disgorgement	$958,684	$1,718,059	$427,997
Total	**$7,617,796**	**$7,184,457**	**$8,590,247**
Suspension	16	19	24
Conditions	1	8	13
Permanent bar	10	15	14
Fine Collection Rate	**18%**	**16%**	**23%**
Sanctions with permanent bar* and fine collection rate	$5,557,265 0.2%	$5,771,295 0.9%	$6,365,789 1.6%
Sanctions without permanent bar and fine collection rate**	$2,060,531 68%	$1,413,162 77%	$2,222,458 83%

*Cases involving permanent bans from the industry: (1) generally account for more than 70% of financial sanctions, (2) result in limited collections due to lack of assets and income, and (3) disproportionately reduce collection rates.
**Individuals who remain registered or get re-registered pay 100% of sanctions.

Firms

	FY26	FY25	FY24
Decisions	9	7	10
Fines	$4,097,500	$2,400,000	$4,752,500
Costs	$285,000	$100,000	$265,000
Disgorgement	$4,305,790	$623,925	$797,017
Total	**$8,688,290**	**$3,123,925**	**$5,814,517**
Suspension	0	0	1
Termination	0	1	0
Fine Collection Rate	**100%**	**100%**	**100%**

Fine Collection Rate

CIRO makes all reasonable efforts to collect monetary sanctions imposed by hearing panels, including utilizing the collection powers available in each province and territory. The collection rates represent the percentage of monetary sanctions collected to date for that fiscal year. The rate does not include monetary sanctions imposed for cases that are under appeal. The rate for a given year may increase over time as CIRO continues to collect monetary sanctions after the year in which the sanctions were imposed.

Individuals that remain registered or get re-registered with CIRO pay 100% of the sanctions imposed on them. CIRO's ability to collect monetary sanctions against individuals depends on a variety of factors including the availability of assets or income, and consumer proposals or bankruptcies. In some cases, CIRO will refrain from utilizing collection powers while clients attempt to recover losses caused by advisor misconduct.

CIRO typically collects 100% of the amounts imposed on firms. There are circumstances where firms may not pay all sanctions, such as insolvency issues or where a suspension is imposed. Firms that do not pay are no longer members of CIRO in good standing.

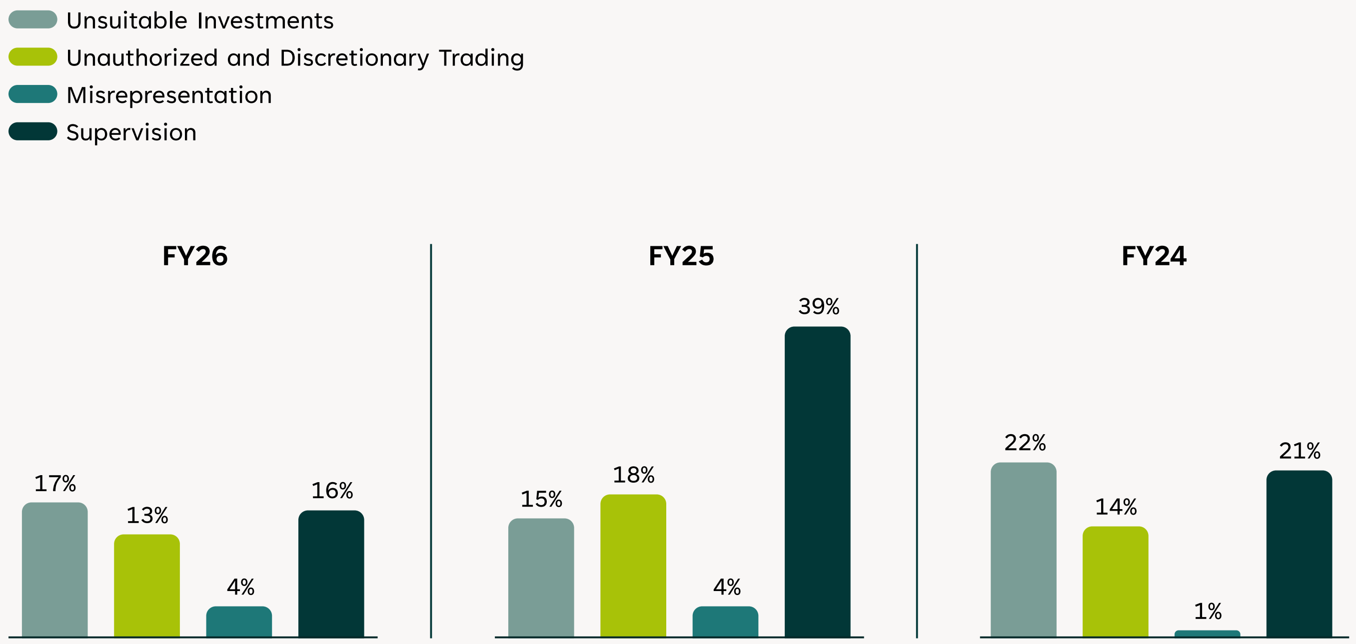
Complaints

Sources of Complaints

Effective February 24, 2025, mutual fund dealers were required to report events using ComSet instead of the Member Event Tracking System (METS) previously used. ComSet complaints include the complaints previously reported on the METS. In Fiscal Year 2026, the number of ComSet complaints increased due to several large mutual fund dealer members filing service-related and other events in ComSet which were not previously reported in METS. These additional events did not raise regulatory concerns or increase the number of Enforcement cases opened.

Source	FY26	FY25	FY24
Public	185	159	229
ComSet	6,426	3,833	3,050
Internal (from other CIRO departments)	27	54	39
Commissions and other regulators	23	48	69
Other (Media, Dealer Members and Whistleblower)	31	33	21
Total	**6,692**	**4,127**	**3,408**

Top Complaints Reviewed by Case Assessment



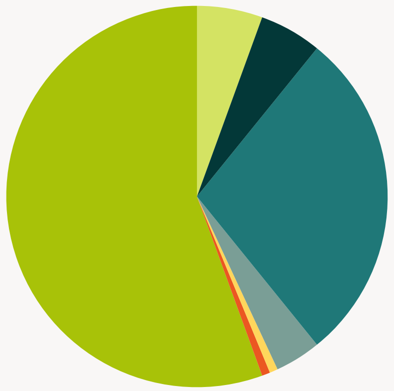
Investigations

Investigations Completed

	FY26	FY25	FY24
Number of Investigations Completed	151	176	150
Percentage of Files Referred to Prosecution	31%	34%	38%

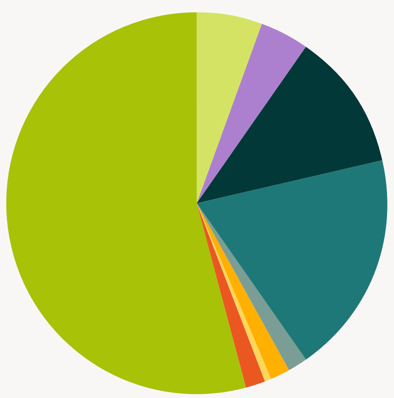
Investigations Completed by Province

FY26



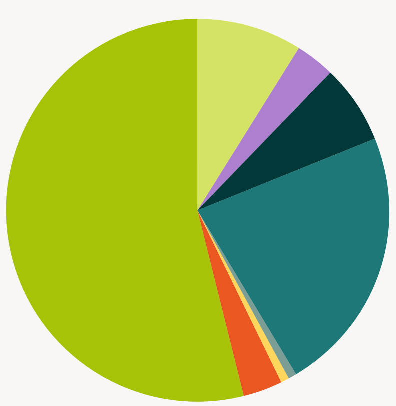
Alberta	8
British Columbia	43
Manitoba	6
New Brunswick	0
Newfoundland & Labrador	1
Northwest Territories	0
Nova Scotia	1
Nunavut	0
Ontario	84
Prince Edward Island	0
Québec	8
Saskatchewan	0
Yukon	0
Total	**151**

FY25



Alberta	21
British Columbia	33
Manitoba	3
New Brunswick	3
Newfoundland & Labrador	1
Northwest Territories	0
Nova Scotia	3
Nunavut	0
Ontario	95
Prince Edward Island	0
Québec	10
Saskatchewan	7
Yukon	0
Total	**176**

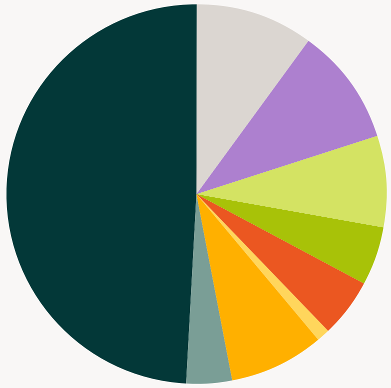
FY24



Alberta	10
British Columbia	34
Manitoba	1
New Brunswick	0
Newfoundland & Labrador	1
Northwest Territories	0
Nova Scotia	5
Nunavut	0
Ontario	81
Prince Edward Island	0
Québec	13
Saskatchewan	5
Yukon	0
Total	**150**

Investigations Completed by Source (% breakdown)

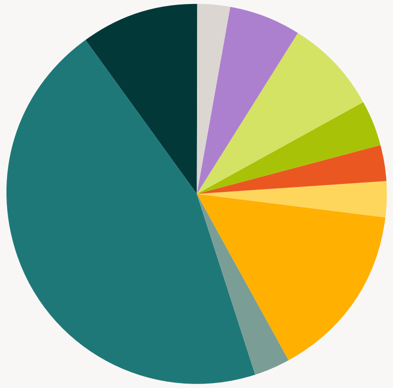
FY26



ComSet	49%
METS	N/A
CIRO Enforcement	4%
Public	8%
CIRO Compliance (BCC, FinOps, TCC)	1%
CIRO Registration	5%
CIRO Trade Review and Analysis	5%
Securities Commissions	8%
CIRO Market Surveillance	10%
Other	10%

*Former METS reporting is now included in ComSet figure.

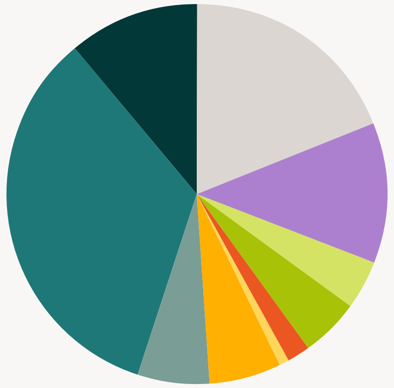
FY25



ComSet	10%
METS	45%
CIRO Enforcement	3%
Public	15%
CIRO Compliance (BCC, FinOps, TCC)	3%
CIRO Registration	3%
CIRO Trade Review and Analysis	4%
Securities Commissions	8%
CIRO Market Surveillance	6%
Other	3%

*Former METS reporting is now included in ComSet figure.

FY24



ComSet	11%
METS	34%
CIRO Enforcement	6%
Public	6%
CIRO Compliance (BCC, FinOps, TCC)	1%
CIRO Registration	2%
CIRO Trade Review and Analysis	5%
Securities Commissions	4%
CIRO Market Surveillance	12%
Other	19%

*Former METS reporting is now included in ComSet figure.

Enforcement Proceedings

Commenced by Type

Type of Hearing	FY26	FY25	FY24
Notice of Hearing/Disciplinary Hearing	19	22	28
Settlement Hearing	26	26	31
Protective Order or Temporary Order	0	1	1
Total	**45**	**49**	**60**

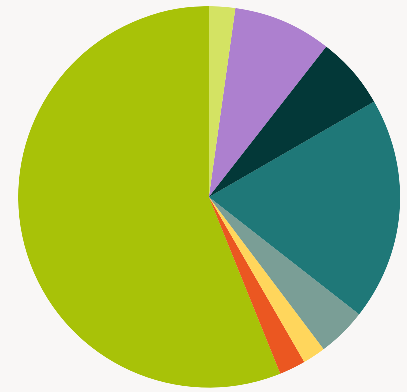
Concluded Proceedings by Type

A proceeding is concluded when a CIRO hearing panel, securities commission or court has made a final decision that includes the imposition of sanctions. Decisions under review by a securities commission or court are not included.

Type of Hearing	FY26	FY25	FY24
Settlement Hearing	35	38	47
Disciplinary Hearing (including Protective or Temporary Order)	13	19	28
Total	**48**	**57**	**75**

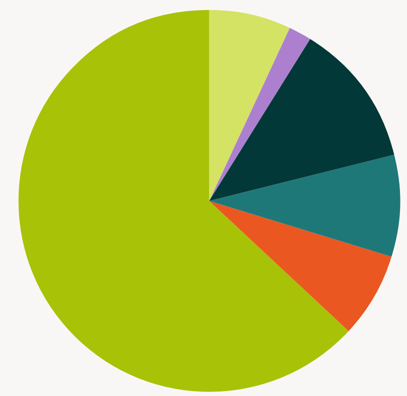
Concluded Proceedings by Province

FY26



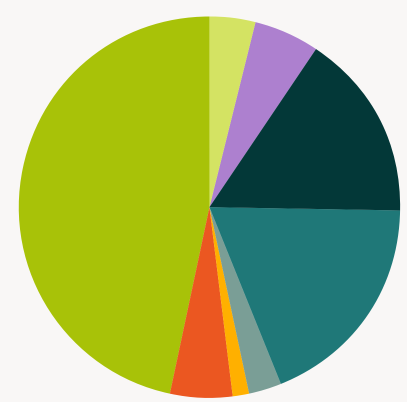
Alberta	3
British Columbia	9
Manitoba	2
New Brunswick	0
Newfoundland & Labrador	1
Northwest Territories	0
Nova Scotia	1
Nunavut	0
Ontario	27
Prince Edward Island	0
Québec	1
Saskatchewan	4
Yukon	0
Total	**48**

FY25



Alberta	7
British Columbia	5
Manitoba	0
New Brunswick	0
Newfoundland & Labrador	0
Northwest Territories	0
Nova Scotia	4
Nunavut	0
Ontario	36
Prince Edward Island	0
Québec	4
Saskatchewan	1
Yukon	0
Total	**57**

FY24



Alberta	12
British Columbia	14
Manitoba	2
New Brunswick	1
Newfoundland & Labrador	0
Northwest Territories	0
Nova Scotia	4
Nunavut	0
Ontario	35
Prince Edward Island	0
Québec	3
Saskatchewan	4
Yukon	0
Total	**75**

Concluded Proceedings by Regulatory Violation

The table below represents concluded proceedings by violations. All violations as listed in an accepted settlement agreement or discipline/appeal decision.

Individual - Breakdown by Violation	FY26	FY25	FY24
Confidentiality/Privacy	0	0	2
Conflict of Interest	5	6	3
Discretionary/Unauthorized Trading	3	4	4
Due Diligence/Handling of Client Accounts/Suitability/KYC	4	6	11
Failure to Cooperate	6	8	2
Falsification/Misrepresentation	0	9	4
Forgery/Fraud/Theft/Misappropriation/Misapplication	4	6	4
Gatekeeper	1	0	3
Inadequate Books and Records	0	1	0
Inappropriate Personal Financial Dealings	9	3	7
Misleading the Member	4	5	0
Off-book Transactions	1	3	1
Outside Activities	7	7	2
Policies and Procedures	0	13	0
Pre-signed Forms	6	6	9
Referral Arrangements	1	0	1
Securities-related Business	2	3	0
Signature Falsification	4	6	7
Standard of Conduct	6	8	0
Stealth Advising	0	1	0
Supervision	0	0	2
Trading Without Appropriate Registration	0	0	5
Unauthorized Transactions	0	1	0
Other	1	8	6

Firm - Breakdown by Violation	FY26	FY25	FY24
Capital Deficiency	0	0	2
Protective Order/Termination	0	1	1
Failure to Handle Client Accounts	2	0	0
Inadequate Books and Records	1	0	2
Internal Controls	3	1	3
Supervision	6	3	7
Other	3	3	4

Proceedings

Fiscal Year 2026 Enforcement Proceedings

Individuals

Case Name (Province)	Type of Proceeding	Commenced	Rulebook	Contraventions	Sanctions Imposed
Alteon, Sandly Ontario	Discipline	November 24, 2023	MFD	Personal Financial Dealings; Conflicts of Interest; Outside Activity; Failure to Cooperate	Fine $25,000 Costs $15,000 Prohibition: 30 months
Burns, Stephen Ontario	Settlement	March 8, 2024	ID	Know-Your-Client and Client Accounts; Failure to Act as a Gatekeeper	Fine $100,000 Costs $25,000 Suspension: 6 months
Caligiuri, Franco British Columbia	Settlement	February 14, 2024	MFD	Referral Arrangements; Standards of Conduct	Fine $15,000 Costs $5,000 Suspension: 1 month
Cappola, Domenic James Ontario	Settlement	May 27, 2025	MFD	Know-Your-Client; Know-Your-Product; Suitability	Fine $30,000 Costs $2,500
Chandane, Jagdish Ontario	Settlement	April 23, 2025	MFD	Proper Execution of Client Account Documents	Fine $15,000 Costs $2,500
Clark, Jeremy Earl Alberta	Settlement	June 3, 2025	MFD	Personal Financial Dealings; Conflicts of Interest; Borrowing from Clients; Standards of Conduct	Fine $80,000 Costs $5,000 Prohibition: 1 year

Individuals *(cont)*

Case Name (Province)	Type of Proceeding	Commenced	Rulebook	Contraventions	Sanctions Imposed
Conde, Marcos David Magallanes Ontario	Settlement	July 17, 2025	MFD	Unauthorized Transfers	Fine $10,000 Costs $2,500
Dakik, Mohammed (Hamoudi) Ontario	Settlement	May 15, 2025	MFD	Securities Related Business Outside the Member	Fine $20,000 Costs $5,000 Permanent Bar
Diaz, Pedro Jose Albornoz Ontario	Settlement	July 17, 2025	MFD	Unauthorized Transfers	Fine $12,500 Costs $2,500 Supervisory Prohibition: 6 months
Doherty, Emma Ontario	Settlement	November 26, 2025	ID	Personal Financial Dealings	Fine $25,000 Costs $3,000 Prohibition: 2 months
Douse, Kevin Ontario	Discipline	May 9, 2025	MFD	Misappropriation; Failure to Cooperate	Fine $530,000 Costs $30,000 Permanent Bar
Espeseth, Regan Donald Eric Saskatchewan	Settlement	July 21, 2025	ID	Discretionary Trading	Fine $75,000 Disgorgement $600,000 Costs $20,000
Ewing, Matthew Philip Ontario	Discipline	September 9, 2024	ID	Personal Financial Dealings; Standards of Conduct	Fine $75,000 Costs $50,000 Prohibition: 10 years Conditions
Ferguson, Suzanne Ontario	Settlement	August 22, 2025	MFD	Proper Execution of Client Account Documents	Fine $14,000 Costs $2,500 Prohibition: 6 months

Case Name (Province)	Type of Proceeding	Commenced	Rulebook	Contraventions	Sanctions Imposed
Gonzalez-Ticas, Carlos (Ricardo) British Columbia	Settlement	July 10, 2025	MFD	Know-Your-Client; Know-Your-Product; Suitability	Fine $20,000 Costs $2,500 Prohibition: 1 year
Jones, Jonathan Thomas British Columbia	Settlement	May 9, 2025	UMIR	Trades to be on a Marketplace	Fine $21,000 Costs $2,000
Kazina, Andrew Manitoba	Discipline/ Appeal	June 4, 2020	MFD	Securities Related Business Outside the Member; Outside Activities; Personal Financial Dealings; Conflicts of Interest; Standards of Conduct	Fine $313,500 Costs $30,000 Permanent Bar
Keough, Thomas Leonard Newfoundland and Labrador	Settlement	October 17, 2025	MFD	Conflicts of Interest	Fine $18,000 Costs $3,500 Prohibition: 2 years
Ladeiro, Marc-Antoine British Columbia	Discipline	May 14, 2025	MFD	Misappropriation; Conflicts of Interest	Fine $1,064,100 Costs $18,612.70 Permanent Bar
Lieff, Louis Josh Ontario	Discipline	January 17, 2025	MFD	Securities Related Business Outside the Member	Fine $438,073 Costs $15,000 Permanent Bar

Individuals *(cont)*

Case Name (Province)	Type of Proceeding	Commenced	Rulebook	Contraventions	Sanctions Imposed
Liu, Hongjia British Columbia	Settlement	May 29, 2025	ID	Discretionary Trading	Fine $75,000 Disgorgement $225,000 Costs $15,000 Prohibition: 6 months
Lougheed, Andrew John Ontario	Discipline	November 19, 2024	ID	Off-Book Investments; Outside Activities	Fine $20,000 Disgorgement $74,531
Lui, Ken Kin Kit Ontario	Discipline	December 13, 2024	MFD	Outside Activities; Personal Financial Dealings; Conflicts of Interest; Failure to Cooperate	Fine $770,947 Costs $25,000 Permanent Bar
Master, Devina Ontario	Discipline	December 13, 2024	MFD	Personal Financial Dealings; Conflicts of Interest; Failure to Cooperate	Fine $150,000 Costs $15,000 Permanent Bar
McKnight, Kevin Kenneth Saskatchewan	Settlement	March 31, 2025	MFD	Proper Execution of Client Account Documents	Fine $20,000 Costs $3,000
Meehan, Christopher British Columbia	Settlement	April 15, 2025	MFD	Securities Related Business Outside the Member; Conflicts of Interest	Fine $45,000 Costs $5,000 Suspension: 4 months
Minhas, Sukhjinder British Columbia	Discipline	June 28, 2024	MFD	Conflicts of Interest; Borrowing from Clients; Failure to Cooperate	Fine $425,000 Costs $10,000 Permanent Bar

Case Name (Province)	Type of Proceeding	Commenced	Rulebook	Contraventions	Sanctions Imposed
Naek, Omer Québec	Discipline	January 23, 2025	ID	Unauthorized Transfers; Misappropriation	Fine $100,000 Disgorgement $59,153 Costs $5,000 Permanent Bar
Palacol, Eugene Ontario	Settlement	November 24, 2025	MFD	Proper Execution of Client Account Documents	Fine $15,000 Costs $3,000
Peddle, James Benjamin Newfoundland and Labrador	Settlement	October 11, 2024	MFD	Personal Financial Dealings; Conflicts of Interest; Outside Activities; Standards of Conduct	Fine $45,000 Costs $5,000 Prohibition: 5 years
Robertson, David Alan British Columbia	Settlement	February 24, 2025	MFD	Conflicts of Interest	Fine $10,000 Costs $2,500 Prohibition: 1 year
Seto, Wei (Wendy) Ontario	Settlement	December 18, 2025	ID	Personal Financial Dealings	Fine $75,000 Costs $5,000 Suspension: 1 month
Short, Jeremy Manitoba	Settlement	July 8, 2024	MFD	Proper Execution of Client Account Documents; Standards of Conduct	Fine $20,000 Costs $5,000 Prohibition: 2 years
Smith, Michael Rolland Nova Scotia	Discipline	September 18, 2024	MFD	Misappropriation; Standards of Conduct; Failure to Cooperate	Fine $1,509,879.41 Costs $20,000 Permanent Bar

Individuals *(cont)*

Case Name (Province)	Type of Proceeding	Commenced	Rulebook	Contraventions	Sanctions Imposed
Somerville, David Clark Ontario	Settlement	June 23, 2025	MFD	Proper Execution of Client Account Documents	Fine $20,000 Costs $2,500
Thakkar, Ankit Pravinkumar Alberta	Settlement	November 6, 2025	MFD	Conflicts of Interest; Borrowing from Clients	Fine $15,000 Costs $2,500
Wolfond, Michael Henry Saskatchewan	Settlement	March 31, 2025	MFD	Proper Execution of Client Account Documents	Fine $20,000 Costs $3,000
Zmetana, Susan Louise Saskatchewan	Settlement	March 31, 2025	MFD	Proper Execution of Client Account Documents	Fine $20,000 Costs $3,000
Zurevinski, Scott Nicolas Alberta	Settlement	April 30, 2025	MFD	Proper Execution of Client Account Documents	Fine $10,000 Costs $2,500

Firms

Case Name (Province)	Type of Proceeding	Commenced	Rulebook	Contraventions	Sanctions Imposed
Canaccord Genuity Corp. Ontario	Settlement	April 21, 2025	ID	Failure to Act as a Gatekeeper	Fine $600,000 Disgorgement $2,200,000 Costs $50,000
Echelon Wealth Partners Inc. (now Ventum Financial Corp.) Ontario	Settlement	March 8, 2024	ID	Know-Your-Client and Client Accounts; Failure to Act as a Gatekeeper; Internal Controls; Failure to Supervise	Fine $500,000 Disgorgement $1,700,000 Costs $100,000 Conditions
Edward Jones (Canada) Ontario	Settlement	October 22, 2025	ID	Internal Controls; Failure to Supervise	Fine $122,500 Costs $5,000
Hampton Securities Limited Ontario	Discipline	November 8, 2023	ID	Inadequate Books and Records	Fine $250,000 Costs $20,000 Conditions
Haywood Securities Inc. British Columbia	Settlement	November 14, 2025	UMIR	Trading Supervision Obligations	Fine $100,000 Costs $5,000
National Bank Financial Inc. Ontario	Settlement	February 20, 2026	ID	Failure to Supervise	Fine $1,000,000 Costs $50,000
PFSL Investments Canada Ltd. Ontario	Settlement	August 13, 2025	MFD	Internal Controls; Failure to Have Adequate Policies and Procedures	Fine $250,000 Costs $15,000
TradeZero Canada Securities ULC Ontario	Settlement	May 1, 2025	ID	Failure to Supervise; Failure to Provide Relationship Disclosure Information	Fine $175,000 Costs $15,000
Virtu Canada Corp. Ontario	Settlement	February 18, 2026	UMIR	Exposure of Client Orders	Fine $1,100,000 Disgorgement $405,789.91 Costs $25,000

Contact Us

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