



CIRO · OCRI

Canadian Investment
Regulatory
Organization

Organisme canadien
de réglementation
des investissements

**IN THE MATTER OF
THE INVESTMENT DEALER AND PARTIALLY CONSOLIDATED RULES**

AND

MICHAEL ROWLAND TOMKINS

STATEMENT OF ALLEGATIONS

Further to a Notice of Hearing dated February 7, 2025, Enforcement Staff make the following allegations:

PART I – REQUIREMENTS CONTRAVENED

Between February 2019 and July 2023, the Respondent misappropriated client funds, contrary to Investment Dealer Rule 1400.

PART II – RELEVANT FACTS AND CONCLUSIONS

Overview

1. The Respondent was employed as a Registered Representative with Assante Capital Management Ltd., at a branch in Nanaimo, British Columbia.
2. Between in or about February 2019 to July 2023 (the “Relevant Period”), the Respondent misappropriated approximately \$1,688,500.00 from two clients (collectively the “Clients”).
3. In the Relevant Period, the Respondent returned approximately \$418,103.50 to one of the Clients.
4. The Respondent misappropriated the funds in the Relevant Period through a variety of methods involving the deposits of cheques, bank drafts, and electronic fund transfers. The Respondent was able to misappropriate the funds by deceiving both

the Clients and his employer. He did this by providing fabricated or inaccurate information to both the Clients and his employer.

5. The Clients were elderly and vulnerable with noted health concerns.

Background

6. The Respondent has been employed in the investment industry since the 1980s working as a mutual fund salesperson at a number of financial institutions.
7. In 2001, the Respondent became employed with Assante Financial Management Ltd. On or about June 19, 2018, the Respondent became a Registered Representative, employed with Assante Capital Management Ltd. (collectively "Assante").

Misappropriation of Client Funds

8. On or about October 10, 2023, one of the Clients contacted the Respondent informing him that they would be moving their investments to another firm.
9. Consequently, on or about October 18, 2023, the Respondent voluntarily resigned from Assante. He has not been employed at a CIRO-regulated firm since.
10. In or about November 2023, CIRO received an endorsed letter from the Respondent dated November 28, 2023, admitting to his misconduct of misappropriating funds from the Clients.
11. In the Relevant Period, the Respondent misappropriated funds from the Clients through different methods. These methods involved the use of cheques, bank drafts and electronic fund transfers. All of the transactions were predicated on inaccurate or fictitious information provided to the Clients or Assante by the Respondent.

12. These methods were facilitated by different processes that the Respondent used to deliberately deceive both the Clients and Assante, and to reduce the likelihood of detection. These processes included fabricating:
- (i) investment vehicles;
 - (ii) investment portfolio summary reports; and
 - (iii) client transactions.
13. In the Relevant Period, the Respondent misappropriated approximately \$1,688,500.00 from the Clients (the “Misappropriated Funds”).
14. Also, in the Relevant Period, the Respondent returned approximately \$418,103.50 to one of the Clients.
15. In the Relevant Period, the net funds misappropriated by the Respondent from the Clients was approximately \$1,270,396.50. All of these funds were used for the Respondent’s own personal benefit.
16. To try and recoup the Misappropriated Funds, the Respondent used some of the Misappropriated Funds to participate in speculative investments. The Respondent was unsuccessful in this regard.
17. The following chart shows the total approximate funds misappropriated, broken down by client, in the Relevant Period:

	Client Name	Funds Misappropriated	Funds Returned to Client by Respondent	Net Funds Misappropriated By Respondent
1.	MP	\$438,500.00	\$418, 103.50	\$20, 396.50

2.	JG	\$1,250,000.00	\$0	\$1,250,000.00
Total		\$1,688,500.00	\$418,103.50	\$1,270,396.50

18. The Respondent deliberately deceived both the Clients and Assante by providing inaccurate or false information to provide himself with greater levels of control and reduce the likelihood of detection.
19. On September 18, and 19, 2024, the Respondent attended an interview with CIRO staff in which he admitted, under oath, to misappropriating a total of approximately \$1,688,500.00 from the Clients in the Relevant Period. The Respondent further admitted that he used all of these funds for his own personal benefit.

Additional Factors

20. The Respondent has no prior disciplinary history with CIRO or its predecessors.
21. The Respondent has accepted responsibility for his misconduct.
22. The Respondent has engaged in similar conduct as early as 2007 and misappropriated an additional \$4,000,000.00 of client funds.

DATED at Vancouver , British Columbia this February 7, 2025.