Re RBC Dominion Securities & Benson

IN THE MATTER OF:

The Rules of the Investment Industry Regulatory Organization of Canada

and

RBC Dominion Securities Inc.

and

Roberta Benson

2021 IIROC 30

Investment Industry Regulatory Organization of Canada
Hearing Panel (Ontario District)

Heard: July 5, 2021
Decision: July 7, 2021
Reasons for Decision: December 16, 2021

Hearing Panel:
John Lorn McDougall, QC, Chair, Daniel Iggers and Vanessa Gardiner
Appearances:
Sylvia Samuel, Enforcement Counsel
April Engelberg, Enforcement Counsel
Douglas McLeod, for RBC Dominion Securities Inc.
Melissa Periozzo, Daniel Dawalibi and Jonathan Landry, RBC Dominion Securities Inc.
James Camp, for Roberta Benson
Roberta Benson (absent)

REASONS FOR DECISION

I. INTRODUCTION AND PROCEDURAL HISTORY

¶ 1 These two matters are based on the same facts which arise from the now admitted regulatory failures which enabled the defalcations of a trusted fiduciary. They were heard together on consent and with the Hearing Panel's ("Panel") approval on July 5, 2021.

¶ 2 The Investment Industry Regulatory Organization of Canada ("IIROC") gave notices to both parties, dated June 21, 2021, that it would hold hearings to consider whether to accept the Settlement Agreements entered between the Enforcement Staff of IIROC ("Staff") and RBC Dominion Securities Inc. ("RBC DS") on June 17, 2021, and between Staff and Roberta Benson ("Benson") on June 18, 2021. In these Reasons for Decision ("Reasons") they are collectively referred to as the "Settlement Agreements" or individually the "RBC DS Settlement Agreement" or the "Benson Settlement Agreement". Both Settlement Agreements are attached to

these Reasons.

¶ 3 The RBC DS Settlement Agreement addresses allegations that RBC DS violated IIROC Rules 2500 and 38.1 by failing to adequately supervise the activities of its Registered Representative, Roberta Benson. Rule 2500 is the omnibus rule which is not necessary to include in these reasons. Rule 38.1 is as follows:

> 38.1 A Dealer Member must establish and maintain a system to supervise the activities of each partner, Director, Officer, Registered Representative, Investment Representative, employee and agent of the Dealer Member that is reasonably designed to achieve compliance with the Rules of the Corporation and all other laws, regulations and policies applicable to the Dealer Member's securities and commodity futures business. Such a supervisory system shall provide, at a minimum, the following:
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> (i) The establishment, maintenance and enforcement of written policies and procedures acceptable to the Corporation regarding the conduct of the types of business in which it engages and the supervision of each partner, Director, Officer, Registered Representative, Investment Representative, employee and agent of the Dealer Member that are reasonably designed to achieve compliance with the applicable laws, rules, regulations and policies;
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> (ii) Procedures reasonably designed to ensure that each partner, Director, Officer, Registered Representative, Investment Representative, employee and agent of the Dealer Member understands his or her responsibilities under the written policies and procedures in (i);
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> (iii) Procedures to ensure that the written policies and procedures of the Dealer Member are amended as appropriate within a reasonable time after changes in applicable laws, regulations, rules and policies and that such changes are communicated to all relevant personnel;
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> (iv) Sufficient personnel and other resources to fully and properly enforce the written policies and procedures in (i);
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> (v) The designation of Supervisors with the qualifications and authority to carry out the supervisory responsibilities assigned to them. Each Dealer Member shall maintain an internal record of the names of all Supervisors, the scope of their responsibility and the dates for which such responsibility and authority is or was in effect. The records must be preserved by the Dealer Member for seven years, and on-site for the first year;
>
> (vi) Procedures for follow-up and review to ensure that supervisory personnel are properly executing their supervisory functions. Where the supervision is conducted and supervisory records are maintained at a branch office, the follow-up and review procedures shall include periodic on-site reviews of branch office supervision and recordkeeping as necessary depending on the types of business and supervision conducted at the branch office;
>
> (vii) The maintenance of adequate records of supervisory activity, including on-site reviews of branch offices as described in (vi), compliance issues identified and the resolution of those issues.

¶ 4 The Benson Settlement Agreement addresses allegations that Benson violated IIROC Rule 1300.1(a) by failing to use due diligence to learn and remain informed of essential facts relative to clients.

1300.1. Identity and Creditworthiness

(a) Each Dealer Member shall use due diligence to learn and remain informed of the essential facts relative to every customer and to every order or account accepted.

¶ 5 The RBC DS Settlement Agreement provides, in relevant part, as follows:

PART III – AGREED FACTS

3. For the purposes of this Settlement Agreement, the Respondent agrees with the facts as set out in Part III of this Settlement Agreement.

PART IV – CONTRAVENTION

55. By engaging in the conduct described above, the Respondent committed the following contraventions of IIROC's Rules:

(i) Between March 2007 and July 2015, RBC DS failed to adequately supervise the activities of its Registered Representative, Benson, in connection with the accounts of its corporate client, SKL, contrary to Dealer Member Rules 2500 and 38.1.

PART V – TERMS OF SETTLEMENT

56. The Respondent agrees to the following sanctions and costs:

(i) RBC DS will pay a fine of $350,000; and

(ii) RBC DS will pay costs of $50,000.

¶ 6 Similarly, the Benson Settlement Agreement provided, in relevant part as follows:

PART III – AGREED FACTS

3. For the purposes of this Settlement Agreement, the Respondent agrees with the facts as set out in Part III of this Settlement Agreement.

PART IV – CONTRAVENTION

54. By engaging in the conduct described above, the Respondent committed the following contraventions of IIROC's Rules:

(i) Between March 2007 and July 2015, Benson failed to use due diligence to learn and remain informed of the essential facts relative to clients, SK, SKL, and BC, contrary to Dealer Member Rule 1300.1(a).

PART V – TERMS OF SETTLEMENT

55. The Respondent agrees to the following sanctions and costs:

(i) Benson will pay a fine of $30,000;

(ii) Benson will pay costs of $10,000;

(iii) A five-year suspension, effective as of the date of the acceptance of this Settlement Agreement.

¶ 7 The Settlement Agreements contain the following statements:

RBC DS Settlement Agreement:

Mitigating Factors

52. After SK's passing, RBC DS contacted SK's Estate Trustees to arrange a meeting to discuss the accounts. It was during this meeting that RBC DS alerted SK's family to the transfers SC made from SKL to his and BC's accounts. It was as a result of RBC DS' outreach that the family began its investigation into SC's actions.

53. RBC DS has made a voluntary payment of $500,000 to SKL in reflection of its share of responsibility for the events described herein.

54. By settling, RBC DS has saved the need for a lengthy, costly hearing and has indicated acceptance of its responsibilities as an IIROC Dealer Member.

Benson Settlement Agreement:

Mitigating Factors

52. Benson has made a voluntary payment of $180,000 to SKL in reflection of her share of responsibility for the events described herein.

53. By settling, Benson has saved the need for a lengthy, costly hearing and has indicated acceptance of her responsibilities.

These "voluntary payments" will be discussed later in the Reasons.

II. PROCEDURAL HISTORY

¶ 8 The procedure apparently chosen by counsel for all three parties determined how the cases were presented when counsel appeared before the Panel on July 5, 2021 for the hearing. At that point, the members of the Panel had had the Settlement Agreements for several days at best. There were volumes for each case entitled IIROC Staff Settlement Book dated July 5, 2021, however they were not readily available prior to the hearing and in any event, their contents provided no guidance regarding the nature of the forthcoming oral arguments.

¶ 9 Shortly before the hearings began, in response to an inquiry made by the Panel, we learned that there would be no written submissions from any of the parties. A decision has been made to deliver oral submissions only. That decision, as to which the Panel was unfortunately not consulted, deprived the Panel of the written submissions which are of great assistance to any hearing panel and hereto had been the norm for cases such as these. In the event, it was a mistake and led to some difficulty in understanding the nature of the parties' submissions as to why the Settlement Agreements should be accepted.

¶ 10 No evidence was called or filed by any of the parties, and they relied solely on the Settlement Agreements. Ms. Samuel, lead counsel for Staff opened the oral submissions. At the suggestion of the Panel, which was supported by her colleagues, Ms. Samuel graciously agreed to present the whole of Staff's argument in one piece, rather than in piecemeal which had been her original intention. This was of assistance to the Panel. Importantly, the Panel learned from her, in response to a question, that there had been a mediation which preceded the Settlement Agreements.

¶ 11 In respect of the mediation, Ms. Samuel made the following explanatory statement:

> In terms of procedural history, no Statement of Allegations were issued, instead the parties, who are represented by counsel, and have been throughout, engaged in ongoing negotiations over a period of several months, pouring over the facts and the issues, and culminating in a day-long mediation. I say all that to say that, in short, considerable effort went into negotiating the Settlement, as set out in the Settlement Agreement, and considerable resources expended. All the parties were, again, represented

by counsel – are represented by counsel, who agree that the Settlement is reasonable.[1]

¶ 12 Ms. Samuel continued her description of the genesis of the Settlement Agreements as follows:

So to address your second question as to the facts, I would refer the Panel

To [*sic*] tab 2 of the book of documents, which contains the Settlement Agreement between the parties. That Settlement Agreement contains a complete statement of the facts, which start at paragraph 3, under the heading Part III – Agreed Facts. We are, given that it's a Settlement, bound by the facts as set out in that Settlement Agreement, which, again, was born out of the quite extensive negotiations between each sets of parties – between the parties.

So I can take the Panel through those facts, but wanted to – before, before heading there, directly wanted to be reminded of the importance of – that the important role that settlements play. And that the role of the Panel is essentially not to second guess the settlement, recognizing that it is the result of negotiations and compromise between the parties, and that settlements provide an expeditious and less costly resolution to discipline, disciplinary proceedings.

So moving then to the facts, they are, as I said, set out in the Settlement Agreement starting at paragraph, starting at paragraph 5. And I will just take the Panel through that and answer any questions that you may have related to those facts.

So as I said previously, the case concerns –

THE CHAIR: Excuse me, Mr. Iggers has a question for you.

MS. SAMUEL: Oh, yes.

MR. IGGERS: Thank you. I noted – I had actually meant to communicate this privately with the Panel, but I saw no indication in the agreed facts regarding the total quantum of loss suffered by SK and SKL as a consequence of the handling of the account by Benson and RBC. I assume that was intentional, but I wondered whether that makes it difficult for the panel to assess the reasonableness of the penalty. Anyway, that's – I hadn't really intended to interrupt you with, but that was the question.

MS. SAMUEL: In response to that, I would say that, as with, as with almost anything in the Settlement Agreement, it is intentional. In part it is due to the fact that this matter or these matters do involve a complicated set of facts among the different parties. As you can well imagine, there is some – there was some active disagreement by the parties on various facts. And so the Settlement Agreement, as it exists, is the result of the negotiations.

With respect to the – what you – I believe your question was the quantum

of the loss among the various parties. Part of that, sort of, reasoning is that it is somewhat difficult to quantify the losses that the various parties may have suffered, partly because of figuring out a methodology to arrive at that point. It's not, for instance, a case where the advisor, you know, generates excessive commissions in relation to particular trades. It's not a straightforward analysis and the parties elected not to get into that information.

THE CHAIR: Well, I guess the problem is that, whether or not the parties have the jurisdiction to enter into such an agreement, to limit the facts, which are clearly material to the Panel, but that's subject to argument. As well, I would have thought that the mere fact that it's difficult to calculate it, and people may have different views is a matter that should be argued in order for the Panel to understand what

[1] July 5, 2021 Transcript, page 11, line 14-25

the problems are. But having said that, that's merely a preliminary thought, at which I'll have to discuss with the Panel more particularly, including what Mr. Iggers has just said.

Shall we proceed.

MS. SAMUEL: We could proceed. And I guess in response to that I would say, it isn't that the parties have elected to, sort of, omit facts, it is that the agreed settlement, including the penalty, are premised on the facts as set out in the Settlement Agreement. That element would be one of the factors that would be considered, but it's certainly a myriad of facts that go into determining the settlement.

MR. MCLEOD: And it's Mr. McLeod here, as counsel for the Respondent, RBC DS, I just would only add, I don't want to interrupt Ms. Samuel, as she's setting out the foundational submissions here for us, but I would only just tag that I would appreciate the opportunity to speak to this as well before the Panel make its determination. But I do second earnestly what Ms. Samuel just said, which is that this isn't a case where there is a secret loss that is being held off stage, it's that there is a complex fact pattern here that doesn't necessarily lend itself to a simple mathematical determination. And I think, you know, as the story comes out and is presented to you, I think that – I believe that will become more apparent.[2]

¶ 13 The foregoing is the essence of what the Panel regards was a misunderstanding about what is entailed in the process of accepting a Settlement Agreement. Simply put, facts are agreed; facts are not negotiated. This is apart entirely from whether the "facts" provided are sufficient to ground a decision whether to accept a settlement. There must be facts, not constructs derived from negotiation. The major issue for the Panel was whether there were sufficient objective facts upon which to base a decision to accept the Settlement Agreements proffered by the parties. Fortunately, as will be discussed below, we were able to conclude that there were such facts.

¶ 14 Instead of simply saying that the mediation concerned other matters which didn't relate to the acceptability of the Settlement Agreements, the parties each presented their personal opinions that they were "reasonable". These views were coupled with the submission that the settlements produced by the mediation after months of negotiation and a day long mediation following disclosure to the mediator of all of the facts, were simply too complex for the Panel to deal with. It was also suggested that the Panel should defer to the findings of the mediator but how this was to be accomplished was never specifically explained. Mr. McLeod, counsel for RBC DS, was particularly vigorous in advancing the argument as follows:

> And I want to be very clear that I'm not here – I'm earnestly trying here to not wear my advocate's hat and argue a partisan case for this, I'm trying to be present to you the Settlement Agreement in a balanced fashion. And RBC DS takes full responsibility for the admissions that are set out in the Settlement Agreement. And I'm sure Mr. Camp will confirm that Ms. Benson does as well in regard to her settlement. But what this reflects is that it's a very convoluted, complex and unorthodox structure that creates any losses or any damages or any arguable losses or damages whatsoever to SKL. And in regard to SK, there's no – she is not connected to this. It's just that there was the admission that her advisor didn't do enough to know her personally.[3]
>
> and
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> This case is not simple. This case is very complicated. There is, you know – I – again, I want to emphasize, there's no downplaying here of the responsibility that has been accepted by the Respondents.

[2] July 5, 2021 Transcript, page 18, line 18 – page 22, line 12

[3] July 5, 2021 Transcript, page 56, lines 9 – 23

… -- there is also no admission that any loss was sustained by anyone.[4]

¶ 15 Whatever else may be said of this argument, in the Panel's view it is contradicted by the parties making a total of $680,000 as "voluntary" payments on account of the loss SKL suffered as a result of the Respondents' admitted regulatory failures. These were negotiated payments agreed to as part of the settlement which again was acknowledged at the Hearing.

¶ 16 From the Panel's perspective, despite all the submissions to the contrary, this was not a complicated case. It was, as stated at the beginning of these Reasons, another unfortunate incident of a regulatory failure which enabled an advisor to breach their client's trust. The only question for this Panel was whether the settlements were reasonable and appropriate.

III. ANALYSIS AND REASONS FOR DECISION

¶ 17 On July 5, 2021, following completion of argument, the Panel reserved its decision and undertook to advise the parties by the following Thursday whether it would render its decision then or would it reserve the matter further. The cause of our uncertainty was the threshold question created by the argument of the parties that the Panel should be guided by or show deference to the mediation. We agreed that we could not properly do so.

¶ 18 The argument ended with Mr. Camp's submissions which, as we said at the time, provided some hope that we might be able to decide the matter quickly and not have to reserve the matter to consider the question in whether and to what extent a hearing panel must tread its own path as mandated by the Rules and Regulations of IIROC. Mr. Camp had centered his argument before us on *Re Wyatt*[5], a very recent IIROC decision in which he had appeared as counsel.

¶ 19 However, while Mr. Camp explained why *Re Wyatt* was relevant to the present case during the course of his submissions, he did not address the central finding regarding the subject which concerned this Panel. However, he did arrange for us to get a copy of the *Re Wyatt* decision almost immediately. Apparently, *Re Wyatt* had not then been published or circulated and had not been available to other counsel prior to the hearing. When we read the decision, it was clear that the hearing panel in *Re Wyatt* had dealt with the same issue that concerned us and had done so definitively and in respect of the roles of a hearing panel and a mediation or other settlement negotiations which preceded a settlement approval hearing of the matter.

¶ 20 Under the heading "Importance of the Settlement Process", the hearing panel in *Re Wyatt* held as follows:

> 13 It is usually in the public interest that matters be settled where possible rather than be determined through contested hearings. The reasons for this are often that an earlier determination of a dispute is better than a later determination. Settlements are usually less expensive than contested litigation, and there is less congestion in the dispute settling system when matters are taken out of the system through settlements. Finally, where both parties agree, the result is often more palatable to the parties and society than in a contested hearing where the winner takes all.
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> ¶ 14 For these reasons, a panel considering the acceptance of a settlement agreement will try to reach a determination of acceptance. It will recognize that settlements are often hotly negotiated with much compromise and give-and-take between the parties in order to reach an acceptable position agreeable to both parties. Furthermore, the panel will recognize that it is not privy to all the facts and the motivations and considerations that each of the parties have in coming to a solution of the dispute that

[4] July 5, 2021 Transcript, page 62, lines 12 and 23
[5] *Re Wyatt* 2021 IIROC 07

is agreeable to them.

> ¶ 15 The parties advised us that the Settlement Agreement was arrived at through a mediation process, which they found most satisfying and helpful in bridging issues on which they were originally far apart. Mediation is a process to be encouraged and supported. Nevertheless, it is the Panel, and not the mediator or the mediation process that must decide on the acceptability of the Settlement Agreement. (emphasis added)

¶ 21 We would add that a hearing panel cannot defer to the result of a mediation or the opinion of the parties that the settlement is fair and reasonable. Something that Counsel in this case repeatedly urged upon us. The fact is that Counsel would not have been before the Panel if they thought otherwise. It was for this Panel to decide, and to decide alone, whether the Settlement Agreements should be accepted. In addition, it should be remembered that the charges laid by the regulator are determined by it, and in a settlement approval hearing, the allegations are admitted and not in issue.

¶ 22 How then is a hearing panel to decide whether a settlement agreement is acceptable? The answer is a hearing panel in considering a settlement agreement can only accept or reject a settlement based on its view of the agreed settlement terms. More precisely, as was established in a very early case, *Re Milewski*[6], the test is that the settlement must be within a reasonable range of what would be considered to be appropriate. The exact words employed by Professor Philip Anisman, who decided the matter sitting alone, are as follows:

> A [Hearing Panel] considering a settlement agreement will tend not to alter a penalty that it considers to be within a reasonable range, taking into account the settlement process and the fact that the parties have agreed. It will not reject a settlement unless it views the penalty as clearly falling outside a reasonable range of appropriateness. Put another way, the [Hearing Panel] will reflect the public interest benefits of the settlement process in its consideration of specific settlements.

¶ 23 Cases which are similar to the one then before a hearing panel often provide an important guide for what would be considered an appropriate result. However, as Counsel for Staff frankly advised the Panel, it was very difficult to find cases similar enough to be useful for the present case. We should also say that the cases which we considered were so entirely dissimilar to the one in the case at bar that they served only to give the Panel idea with which to establish a rough range of appropriateness, which was our task, rather than the fixing of an exact penalty as would have been the case where it was not a settlement approval case.

¶ 24 In other words, while the cases cited provide little specific guidance, they do, on the other hand, give a good idea of the order of magnitude which would be regarded as reasonably appropriate by an informed person with knowledge of the matter.

¶ 25 We should comment on the payments which in the Panel's view, were incorrectly described as voluntary, and which were specifically provided for in the Settlement Agreements. In response to a question from the Panel, all counsel conceded that the quantum of each of the payments was the result of negotiation between the parties and, necessarily, an integral part of the settlements. The Panel thereafter considered them as such.

¶ 26 An IIROC hearing panel does not have the power to award compensatory damages. Consequently, it is concerned to know whether a respondent has made any payment to compensate for any losses suffered as a result of the misconduct under consideration. The IIROC Sanction Guidelines makes specific reference to such payments as something to be considered when fixing sanctions or evaluating the terms agreed in a settlement

[6] *Re Milewski*, [1999] I.D.A.C.D. No. 17, July 28, 1999; *Re Bereskin* 2010 IIROC 37

agreement.[7] The Panel did so in this case and concluded, in both instances, that the payment of $500,000 by RBC DS and $180,000 by Benson were well within the range of what would be reasonable and appropriate.

¶ 27 While it may be obvious, it also should be pointed out that the nature and circumstances of each Respondent has to be considered separately, particularly when, as here, they are so completely different. The objective of sanctions imposed by an IIROC hearing panel acting in the public interest is to provide specific and general deterrence against breaches of the applicable Rules and Regulations. Creating such deterrence, for a Canadian chartered bank is a quite different matter than deterrence for people with limited financial resources. A bank is deterred most, it would appear, by adverse publicity. For an individual with limited financial means, monetary cost is a paramount deterrence.

¶ 28 Applying these principles to the present case, in considering the sanctions and the other payments, we concluded that the amounts that had been agreed were acceptable as falling well within the range of what was reasonably appropriate. The Panel took note of the fact the Benson was quite severely treated but we felt not so much so as to be out of a reasonable range of appropriateness.

¶ 29 While the Panel was not given the loss calculations or estimates resulting from the misconduct, we concluded that we nevertheless had an adequate substitute *in lieu* thereof. We were advised by Counsel that all the interested parties were involved in the mediation and the preceding negotiations. Indeed, the Settlement Agreements record the fact that the executors of SK's estate were represented by counsel as was SKL.

¶ 30 The Panel felt that had there been any dissatisfaction with the results of that process as it pertained to their clients or the parties themselves who were involved in the overall settlement negotiations, we would have expected to hear from them if there were complaints. We heard nothing and were not advised of any representations on their part. We therefore drew the conclusion that the results of the settlement process and consequently, the present Settlement Agreements, were acceptable.

IV. CONCLUSION

¶ 31 In summary, the Panel agrees with Staff's submission that, "The agreed sanctions in this matter reflect the primary purpose of protection and prevention rather then punishment." We also agree that the sanctions will serve the goals of specific and general deterrence by means of the combined quantum of the fine, the voluntary payments and the five-year suspension in the case of Benson.

¶ 32 It was for the foregoing reasons that the Panel accepted the RBC DS Settlement Agreement and the Benson Settlement Agreement on July 7, 2021.

Dated at Toronto, Ontario this 16 day of December 2021.

John Lorn McDougall

Daniel Iggers

Vanessa Gardiner

IN THE MATTER OF:

THE RULES OF THE INVESTMENT INDUSTRY REGULATORY

[7] IIROC Sanction Guidelines, Part II, 14

ORGANIZATION OF CANADA

AND

RBC DOMINION SECURITIES INC.

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Investment Industry Regulatory Organization of Canada ("IIROC") will issue a Notice of Application to announce that it will hold a settlement hearing to consider whether, pursuant to Section 8215 of the Consolidated Enforcement, Examination and Approval Rules of IIROC, a hearing panel ("Hearing Panel") should accept the settlement agreement ("Settlement Agreement") entered into between the staff of IIROC ("Staff") and RBC DS ("RBC DS").

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Staff and the Respondent jointly recommend that the Hearing Panel accept this Settlement Agreement in accordance with the terms and conditions set out below.

PART III – AGREED FACTS

3. For the purposes of this Settlement Agreement, the Respondent agrees with the facts as set out in Part III of this Settlement Agreement.

Overview

4. This Settlement Agreement concerns RBC DS' failure to adequately supervise the activities of Roberta Benson ("Benson") in connection with the accounts of its corporate client, SKL.

Background

5. RBC DS is a Dealer Member with its head office in Toronto, Ontario.

6. Benson was an experienced Registered Representative who began her career in 1978. She joined RBC DS from BMO Nesbitt Burns ("BMO") in 2007. Benson retired from RBC DS in March 2016 and is no longer a Registered Representative.

7. SK was an elderly, high-net worth client of RBC DS. She died on October 14, 2014.

8. SKL was a corporate client of RBC DS. Prior to her death, SK was the President, a Director, and the sole shareholder of SKL.

9. SC was a Chartered Professional Accountant and a Principal of a large Toronto accounting firm. SC was also a trusted friend to SK and her family, who had managed SK's finances and the finances of certain of SK's family members as early as the 1970s. SC was a director and officer of SKL.

10. BC was SC's spouse.

11. In 2019, SC's license as a Chartered Professional Accountant was revoked in connection with the events described below, including misappropriation of funds from SKL.

12. SK and SKL were clients of Benson's, dating back to the late 1990s. When Benson transferred to RBC DS in March 2007, several accounts previously held at BMO were transferred to RBC DS, including SK's and SKL's accounts.

13. Benson was the Registered Representative at RBC DS with primary responsibility for the accounts held by SK, SKL, SC and BC. Benson had frequent contact with SC in connection with orders and other client

service matters.

The SK Accounts

14. On March 13, 2007, SK opened three accounts with RBC DS (the "SK Accounts"), and SC was assigned trading authority over the SK Accounts.

15. Between 2007 and 2015, Benson failed to ensure the SK Account parameters were appropriate. Benson placed undue reliance on communications with SC as trading authority, rather than the account holder, SK. At account opening, SK signed New Client Account Forms ("NCAF"). The NCAF incorrectly stated that SK was a sophisticated investor.

The SC Accounts

16. In 2007, SC transferred accounts previously held at BMO to RBC DS. Between May 2007 and November 2010, SC opened three margin accounts at RBC DS (the "SC Margin Accounts").

17. At account opening, SC signed NCAFs indicating that he was a sophisticated investor and, in most cases, that he was comfortable with high risk. In regard to his investment experience, the KYC for the SC Margin Accounts indicated that $100,000 was "the most money [SC] has in the market at any one time."

The BC Margin Account

18. A margin account with RBC DS was opened in BC's name in 2010 (the "BC Margin Account"). SC had trading authority over the BC Margin Account, and as detailed below, proceeded to use it as his own.

19. At account opening, BC signed an NCAF, which, in regard to her investment experience, indicated that $100,000 was the most money she had in the market at any one time. No funds were invested into the BC Margin Account and instead SC relied entirely on his trading authority, a guarantee arrangement, and transfers from SKL, as outlined below.

20. KYC updates for the BC Margin Account were completed between 2010 and 2015. During this time, BC's investment knowledge indicated on KYC forms changed from limited to good, and investments in the BC Margin Account consistently exceeded $100,000, often by millions of dollars.

21. Throughout this time, Benson failed to communicate directly with BC regarding changes in her investment knowledge or to ensure the account parameters were appropriate. Benson accepted and relied on communications with SC as trading authority, rather than the account holder, BC.

The SKL Accounts

22. Between 2007 and 2009, four margin accounts were opened for SKL at RBC DS (the "SKL Accounts"). SC was sole trading authority on the SKL Accounts. SK was listed as the sole beneficiary for SKL.

The Guarantees

23. Between 2009 and 2010, guarantees were signed by SC, BC, and SKL. These were continuing guarantees in which the parties guaranteed each others' obligations to RBC DS:

    a) On June 11, 2009, SC guaranteed SKL's accounts;

    b) On June 11, 2009 and September 15, 2009, SKL guaranteed SC's accounts;

    c) On November 2, 2010, SC and SKL guaranteed BC's accounts; and

    d) On November 2, 2010, BC guaranteed SC's and SKL's accounts.

24. SC signed the guarantees on behalf of SKL to guarantee his own and BC's accounts.

25. As a result of the various guarantees, a cross-guarantee relationship was established, but only SKL was ever called upon to satisfy the obligations of the other parties to this relationship.

26. There was a conflict of interest raised due to SC acting on behalf of SKL to approve the guarantees of his and BC's personal accounts.

27. Benson did not take adequate steps to ensure that SK understood the nature, significance, and financial implications of the guarantees, and RBC DS failed to sufficiently supervise Benson in regard to confirming the extent of her direct communication with SK.

28. Benson did not explain the nature or significance of the guarantees to BC, and RBC DS failed to sufficiently supervise Benson in regard to confirming the extent of her direct communication with BC.

29. Furthermore, SC's, BC's or SKL's profiles were not updated to reflect the existence of the guarantees that they had each provided and the increased liabilities created as a result.

SC Incurs Margin Debt

30. Beginning in or around November 2009, SC embarked upon a self-directed, unsolicited strategy of high-risk and aggressive trading, including excessive margin trading, in both his and BC's margin accounts. As result of the guarantees, the excess loan value in the SKL Accounts was extended to the SC Margin Accounts and the BC Margin Account, and SC relied on the guarantees, and in particular the excess loan value of the SKL accounts to meet the margin requirements of his and BC's accounts.

31. The SC Margin Accounts were undermargined, one from November 2009 and the other from December 2010, and continued to be undermargined until October 2015.

32. By June 2011, SC's most heavily traded margin account was in a negative equity position and except for a brief reprieve in July 2011, continued in a negative equity position until March 2016.

33. As a result of his margin trading, by April 2010, and continuing through to October 2015, SC caused the debit balance in his accounts to exceed his documented total net worth. At its highest, the total debit balance for all SC's margin accounts was more than 6.8 times his documented net worth ($1,050,000).

34. SC similarly incurred significant margin debt in the BC Margin Account, including based on high-risk investments that were inconsistent with BC's investment profile and KYC documentation.

35. In response to queries from RBC DS, Benson adjusted BC's investment knowledge upwards on KYC forms in the absence of due diligence to support such changes. The last such change (October 29, 2014) continued in effect until, at least, October 2015.

36. The BC Margin Account was undermargined from December 2010 to October 2015.

37. With the exception of June 2015, between March 2011 to March 2016 the BC Margin Account was continuously in a negative equity position.

38. As a result of SC's margin trading, by January 2011 and continuing through to March 2016, the debit balance in the BC Margin account exceeded her documented total net worth. At its highest, the debit balance of the BC Margin Account was more than 8.3 times her documented net worth ($1,050,000).

39. SC consistently presented himself to Benson as comfortable with high-risk investments. Nonetheless, in the circumstances, the use of margin in SC's and BC's accounts in excess of their stated net worth and in reliance of the guarantees with SKL, should have been a red flag for Benson and RBC DS.

40. In particular, the high margin debt and the deteriorating equity position of SC's Margin Accounts and the BC Margin Account warranted further suitability assessments, which Benson failed to conduct, and RBC

DS failed to sufficiently supervise Benson to ensure that she conducted appropriate suitability assessments.

SK's Death

41. SK died on or about October 14, 2014.

42. Benson knew of SK's death by no later than October 17, 2014 but did not notify RBC DS at that time.

43. On or about January 7, 2015, Benson advised RBC DS that SK had passed away months earlier.

The Transfers

44. Starting approximately ten weeks after SK's death, SC, on behalf on SKL, directed a series of transfers from an SKL account to his and BC's margin accounts. First, on December 22, 2014, SC directed the transfer of $1.8 million (US) from SKL to BC, pursuant to a Letter of Authorization. After reviewing the Letter of Authorization signed by SC, and following discussions with Benson, RBC DS permitted the transfer.

45. On April 14, 2015, pursuant to two further Letters of Authorization, SC directed the transfer of $492,000 from SKL to BC and $669,000 from SKL to SC. After reviewing the Letters of Authorization signed by SC, and following discussions with Benson, RBC DS permitted the transfers on June 3, 2015.

46. At the time the April 2015 Letters of Authorization were processed, RBC DS had not been provided with a copy of SK's will and had not received instructions from SK's estate trustees. Further, beneficiary information with respect to SKL had not been updated. Moreover, the transfers pursuant to the Letters of Authorization amounted to transfers of a substantial part of the assets of SKL.

47. By permitting the transfers pursuant to the Letters of Authorization, RBC DS failed to adequately supervise Benson with respect to her KYC obligations, and to address the existing conflict of interest between the clients.

Account Restrictions

48. On July 23, 2015, the SKL Accounts were restricted to sells.

49. On December 15, 2015, RBC DS wrote to SK's estate trustees and separately to SC and BC advising that activity in the SKL Accounts, SK Accounts, the SC Margin Accounts and the BC Accounts would be restricted to liquidating trades only.

Failure to Supervise Benson

50. Notwithstanding that RBC DS considered the conflict of interest created by SC's execution of the guarantees and authorization of transfers on behalf of SKL, in reviewing the relationships between the parties, RBC DS placed undue reliance on Benson's representations regarding her knowledge and discussions with the clients at issue, when heightened supervision or direct contact with clients was required.

51. Although RBC DS questioned the activities that occurred within and between the SKL, SC and BC accounts, and raised concerns with respect to the guarantees, RBC DS nonetheless failed to sufficiently address the red flags that were raised and did not sufficiently follow up on questions or make further inquiries to address the conflict of interest between the parties.

Mitigating Factors

52. After SK's passing, RBC DS contacted SK's Estate Trustees to arrange a meeting to discuss the accounts. It was during this meeting that RBC DS alerted SK's family to the transfers SC made from SKL to his and

BC's accounts. It was as a result of RBC DS' outreach that the family began its investigation into SC's actions.

53. RBC DS has made a voluntary payment of $500,000 to SKL in reflection of its share of responsibility for the events described herein.

54. By settling, RBC DS has saved the need for a lengthy, costly hearing and has indicated acceptance of its responsibilities as an IIROC Dealer Member.

PART IV – CONTRAVENTION

55. By engaging in the conduct described above, the Respondent committed the following contraventions of IIROC's Rules:

    (i) Between March 2007 and July 2015, RBC DS failed to adequately supervise the activities of its Registered Representative, Benson, in connection with the accounts of its corporate client, SKL, contrary to Dealer Member Rules 2500 and 38.1.

PART V – TERMS OF SETTLEMENT

56. The Respondent agrees to the following sanctions and costs:

    (i) RBC DS will pay a fine of $350,000; and

    (ii) RBC DS will pay costs of $50,000.

57. If this Settlement Agreement is accepted by the Hearing Panel, the Respondent agrees to pay the amounts referred to above within 30 days of such acceptance unless otherwise agreed between Staff and the Respondent.

PART VI – STAFF COMMITMENT

58. If the Hearing Panel accepts this Settlement Agreement, Staff will not initiate any further action against the Respondent in relation to the facts set out in Part III and the contraventions in Part IV of this Settlement Agreement, subject to the provisions of the paragraph below.

59. If the Hearing Panel accepts this Settlement Agreement and the Respondent fails to comply with any of the terms of the Settlement Agreement, Staff may bring proceedings under Rule 8200 against the Respondent. These proceedings may be based on, but are not limited to, the facts set out Part III of this Settlement Agreement.

PART VII – PROCEDURE FOR ACCEPTANCE OF SETTLEMENT

60. This Settlement Agreement is conditional on acceptance by the Hearing Panel.

61. This Settlement Agreement shall be presented to a Hearing Panel at a settlement hearing in accordance with the procedures described in Sections 8215 and 8428, in addition to any other procedures that may be agreed upon between the parties.

62. Staff and the Respondent agree that this Settlement Agreement will form all of the agreed facts that will be submitted at the settlement hearing, unless the parties agree that additional facts should be submitted at the settlement hearing. If the Respondent does not appear at the settlement hearing, Staff may disclose additional relevant facts, if requested by the Hearing Panel.

63. If the Hearing Panel accepts the Settlement Agreement, the Respondent agrees to waive all rights under the IIROC Rules and any applicable legislation to any further hearing, appeal and review.

64. If the Hearing Panel rejects the Settlement Agreement, Staff and the Respondent may enter into another

settlement agreement or Staff may proceed to a disciplinary hearing based on the same or related allegations.

65. The terms of this Settlement Agreement are confidential unless and until this Settlement Agreement has been accepted by the Hearing Panel.

66. The Settlement Agreement will become available to the public upon its acceptance by the Hearing Panel and IIROC will post a full of copy of this Settlement Agreement on the IIROC website. IIROC will also publish a summary of the facts, contraventions, and the sanctions agreed upon in this Settlement Agreement.

67. If this Settlement Agreement is accepted, the Respondent agrees that neither it nor anyone on its behalf, will make a public statement inconsistent with this Settlement Agreement.

68. The Settlement Agreement is effective and binding upon the Respondent and Staff as of the date of its acceptance by the Hearing Panel.

PART VIII – EXECUTION OF SETTLEMENT AGREEMENT

69. This Settlement Agreement may be signed in one or more counterparts which together will constitute a binding agreement.

70. A fax or electronic copy of any signature will be treated as an original signature.

DATED this "17th" day of June, 2021.

_____	"David Agnew"
Witness	Respondent
"Ricki Ann Newmarch"	"Sylvia Samuel"
Witness	Sylvia Samuel Enforcement Counsel on behalf of Enforcement Staff of the Investment Industry Regulatory Organization of Canada

The Settlement Agreement is hereby accepted this "7" day of "July", 2021 by the following Hearing Panel:

Per: "John Lorn McDougall"
Panel Chair

Per: "Daniel Iggers"
Panel Member

Per: "Vanessa Gardiner"
Panel Member

IN THE MATTER OF:

THE RULES OF THE INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA

AND

ROBERTA BENSON

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Investment Industry Regulatory Organization of Canada ("IIROC") will issue a Notice of Application to announce that it will hold a settlement hearing to consider whether, pursuant to Section 8215 of the Consolidated Enforcement, Examination and Approval Rules of IIROC, a hearing panel ("Hearing Panel") should accept the settlement agreement ("Settlement Agreement") entered into between the staff of IIROC ("Staff") and Roberta Benson ("Benson").

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Staff and the Respondent jointly recommend that the Hearing Panel accept this Settlement Agreement in accordance with the terms and conditions set out below.

PART III – AGREED FACTS

3. For the purposes of this Settlement Agreement, the Respondent agrees with the facts as set out in Part III of this Settlement Agreement.

Overview

4. This Settlement Agreement concerns Benson's failure to discharge her know your client obligations relative to clients, SK, SKL, and BC.

Background

5. Benson was an experienced Registered Representative who began her career in 1978.

6. In 2007, Benson joined RBC DS, a Dealer Member with its head office in Toronto, Ontario, from BMO Nesbitt Burns ("BMO"). Benson retired from RBC DS in March 2016 and is no longer a Registered Representative.

7. SK was an elderly, high-net worth client of RBC DS. She died on October 14, 2014.

8. SKL was a corporate client of RBC DS. Prior to her death, SK was the President, a Director, and the sole shareholder of SKL.

9. SC was a Chartered Professional Accountant and a Principal of a large Toronto accounting firm. SC was also a trusted friend to SK and her family, who had managed SK's finances and the finances of certain of SK's family members as early as the 1970s. SC was a director and officer of SKL.

10. BC was SC's spouse.

11. In 2019, SC's license as a Chartered Professional Accountant was revoked in connection with the events described below, including misappropriation of funds from SKL.

12. SK and SKL were clients of Benson's, dating back to the late 1990s. When Benson transferred to RBC DS in March 2007, several accounts previously held at BMO were transferred to RBC DS, including SK's and SKL's accounts.

13. Benson was the Registered Representative at RBC DS with primary responsibility for the accounts held by SK, SKL, SC and BC. Benson had frequent contact with SC in connection with orders and other client service matters.

The SK Accounts

14. On March 13, 2007, SK opened three accounts with RBC DS (the "SK Accounts"), and SC was assigned trading authority over the SK Accounts.

15. Between 2007 and 2015, Benson failed to ensure the SK Account parameters were appropriate. Benson placed undue reliance on communications with SC as trading authority, rather than the account holder, SK. At account opening, SK signed New Client Account Forms ("NCAF"). The NCAF incorrectly stated that SK was a sophisticated investor.

The SC Accounts

16. In 2007, SC transferred accounts previously held at BMO to RBC DS. Between May 2007 and November 2010, SC opened three margin accounts at RBC DS (the "SC Margin Accounts").

17. At account opening, SC signed NCAFs indicating that he was a sophisticated investor and, in most cases, that he was comfortable with high risk. In regard to his investment experience, the KYC for the SC Margin Accounts indicated that $100,000 was "the most money [SC] has in the market at any one time."

The BC Margin Account

18. A margin account with RBC DS was opened in BC's name in 2010 (the "BC Margin Account"). SC had trading authority over the BC Margin Account, and as detailed below, proceeded to use it as his own.

19. At account opening, BC signed an NCAF, which, in regard to her investment experience, indicated that $100,000 was the most money she had in the market at any one time. No funds were invested into the BC Margin Account and instead SC relied entirely on his trading authority, a guarantee arrangement, and transfers from SKL, as outlined below.

20. KYC updates for the BC Margin Account were completed between 2010 and 2015. During this time, BC's investment knowledge indicated on KYC forms changed from limited to good, and investments in the BC Margin Account consistently exceeded $100,000, often by millions of dollars.

21. Throughout this time, Benson failed to communicate directly with BC regarding changes in her investment knowledge or to ensure the account parameters were appropriate. Benson accepted and relied on communications with SC as trading authority, rather than the account holder, BC.

The SKL Accounts

22. Between 2007 and 2009, four margin accounts were opened for SKL at RBC DS (the "SKL Accounts"). SC was sole trading authority on the SKL Accounts. SK was listed as the sole beneficiary for SKL.

The Guarantees

23. Between 2009 and 2010, guarantees were signed by SC, BC, and SKL. These were continuing guarantees in which the parties guaranteed each others' obligations to RBC DS:

    a) On June 11, 2009, SC guaranteed SKL's accounts;

    b) On June 11, 2009 and September 15, 2009, SKL guaranteed SC's accounts;

    c) On November 2, 2010, SC and SKL guaranteed BC's accounts; and

    d) On November 2, 2010, BC guaranteed SC's and SKL's accounts.

24. SC signed the guarantees on behalf of SKL to guarantee his own and BC's accounts.

25. As a result of the various guarantees, a cross-guarantee relationship was established, but only SKL was

ever called upon to satisfy the obligations of the other parties to this relationship.

26. There was a conflict of interest raised due to SC acting on behalf of SKL to approve the guarantees of his and BC's personal accounts.

27. Benson did not take adequate steps to ensure that SK understood the nature, significance, and financial implications of the guarantees.

28. Benson did not explain the nature or significance of the guarantees to BC.

29. Furthermore, SC's, BC's or SKL's profiles were not updated to reflect the existence of the guarantees that they had each provided and the increased liabilities created as a result.

SC Incurs Margin Debt

30. Beginning in or around November 2009, SC embarked upon a self-directed, unsolicited strategy of high-risk and aggressive trading, including excessive margin trading, in both his and BC's margin accounts. As result of the guarantees, the excess loan value in the SKL Accounts was extended to the SC Margin Accounts and the BC Margin Account, and SC relied on the guarantees, and in particular the excess loan value of the SKL accounts to meet the margin requirements of his and BC's accounts.

31. The SC Margin Accounts were undermargined, one from November 2009 and the other from December 2010, and continued to be undermargined until October 2015.

32. By June 2011, SC's most heavily traded margin account was in a negative equity position and except for a brief reprieve in July 2011, continued in a negative equity position until March 2016.

33. As a result of his margin trading, by April 2010, and continuing through to October 2015, SC caused the debit balance in his accounts to exceed his documented total net worth. At its highest, the total debit balance for all SC's margin accounts was more than 6.8 times his documented net worth ($1,050,000).

34. SC similarly incurred significant margin debt in the BC Margin Account, including based on high-risk investments that were inconsistent with BC's investment profile and KYC documentation.

35. In response to queries from RBC DS, Benson adjusted BC's investment knowledge upwards on KYC forms in the absence of due diligence to support such changes. The last such change (October 29, 2014) continued in effect until, at least, October 2015.

36. The BC Margin Account was undermargined from December 2010 to October 2015.

37. With the exception of June 2015, between March 2011 to March 2016 the BC Margin Account was continuously in a negative equity position.

38. As a result of SC's margin trading, by January 2011 and continuing through to March 2016, the debit balance in the BC Margin account exceeded her documented total net worth. At its highest, the debit balance of the BC Margin Account was more than 8.3 times her documented net worth ($1,050,000).

39. SC consistently presented himself to Benson as comfortable with high-risk investments. Nonetheless, in the circumstances, the use of margin in SC's and BC's accounts in excess of their stated net worth and in reliance of the guarantees with SKL, should have been a red flag for Benson.

40. In particular, the high margin debt and the deteriorating equity position of SC's Margin Accounts and the BC Margin Account warranted further suitability assessments, which Benson failed to conduct.

SK's Death

41. SK died on or about October 14, 2014.

42. Benson knew of SK's death by no later than October 17, 2014 but did not notify RBC DS at that time.

43. On or about January 7, 2015, Benson advised RBC DS that SK had passed away months earlier.

The Transfers

44. Starting approximately ten weeks after SK's death, SC, on behalf on SKL, directed a series of transfers from an SKL account to his and BC's margin accounts. First, on December 22, 2014, SC directed the transfer of $1.8 million (US) from SKL to BC, pursuant to a Letter of Authorization. After reviewing the Letter of Authorization signed by SC, and following discussions with Benson, RBC DS permitted the transfer.

45. On April 14, 2015, pursuant to two further Letters of Authorization, SC directed the transfer of $492,000 from SKL to BC and $669,000 from SKL to SC. After reviewing the Letters of Authorization signed by SC, and following discussions with Benson, RBC DS permitted the transfers on June 3, 2015.

46. At the time the April 2015 Letters of Authorization were processed, RBC DS had not been provided with a copy of SK's will and had not received instructions from SK's estate trustees. Further, beneficiary information with respect to SKL had not been updated. Moreover, the transfers pursuant to the Letters of Authorization amounted to transfers of a substantial part of the assets of SKL.

Account Restrictions

47. On July 23, 2015, the SKL Accounts were restricted to sells.

48. On December 15, 2015, RBC DS wrote to SK's estate trustees and separately to SC and BC advising that activity in the SKL Accounts, SK Accounts, the SC Margin Accounts and the BC Accounts would be restricted to liquidating trades only.

Benson's Failure to Address Issues

49. Benson failed in her KYC obligations to SK, SKL, and BC.

50. Benson repeatedly made changes in KYC documentation in the absence of any change in the client's circumstances to justify such changes and repeatedly relied on information from SC without the due diligence required to verify such information.

51. Benson failed to adequately address the conflict of interest created by SC's execution of the guarantees and authorization of transfers on behalf of SKL.

Mitigating Factors

52. Benson has made a voluntary payment of $180,000 to SKL in reflection of her share of responsibility for the events described herein.

53. By settling, Benson has saved the need for a lengthy, costly hearing and has indicated acceptance of her responsibilities.

PART IV – CONTRAVENTION

54. By engaging in the conduct described above, the Respondent committed the following contraventions of IIROC's Rules:

    (i) Between March 2007 and July 2015, Benson failed to use due diligence to learn and remain informed of the essential facts relative to clients, SK, SKL, and BC, contrary to Dealer Member Rule 1300.1(a).

PART V – TERMS OF SETTLEMENT

55. The Respondent agrees to the following sanctions and costs:

    (i) Benson will pay a fine of $30,000;

    (ii) Benson will pay costs of $10,000;

    (iii) A five-year suspension, effective as of the date of the acceptance of this Settlement Agreement.

56. If this Settlement Agreement is accepted by the Hearing Panel, the Respondent agrees to pay the amounts referred to above within 30 days of such acceptance unless otherwise agreed between Staff and the Respondent.

PART VI – STAFF COMMITMENT

58. If the Hearing Panel accepts this Settlement Agreement, Staff will not initiate any further action against the Respondent in relation to the facts set out in Part III and the contraventions in Part IV of this Settlement Agreement, subject to the provisions of the paragraph below.

59. If the Hearing Panel accepts this Settlement Agreement and the Respondent fails to comply with any of the terms of the Settlement Agreement, Staff may bring proceedings under Rule 8200 against the Respondent. These proceedings may be based on, but are not limited to, the facts set out Part III of this Settlement Agreement.

PART VII – PROCEDURE FOR ACCEPTANCE OF SETTLEMENT

60. This Settlement Agreement is conditional on acceptance by the Hearing Panel.

61. This Settlement Agreement shall be presented to a Hearing Panel at a settlement hearing in accordance with the procedures described in Sections 8215 and 8428, in addition to any other procedures that may be agreed upon between the parties.

62. Staff and the Respondent agree that this Settlement Agreement will form all of the agreed facts that will be submitted at the settlement hearing, unless the parties agree that additional facts should be submitted at the settlement hearing. If the Respondent does not appear at the settlement hearing, Staff may disclose additional relevant facts, if requested by the Hearing Panel.

63. If the Hearing Panel accepts the Settlement Agreement, the Respondent agrees to waive all rights under the IIROC Rules and any applicable legislation to any further hearing, appeal and review.

64. If the Hearing Panel rejects the Settlement Agreement, Staff and the Respondent may enter into another settlement agreement or Staff may proceed to a disciplinary hearing based on the same or related allegations.

65. The terms of this Settlement Agreement are confidential unless and until this Settlement Agreement has been accepted by the Hearing Panel.

66. The Settlement Agreement will become available to the public upon its acceptance by the Hearing Panel and IIROC will post a full of copy of this Settlement Agreement on the IIROC website. IIROC will also publish a summary of the facts, contraventions, and the sanctions agreed upon in this Settlement Agreement.

67. If this Settlement Agreement is accepted, the Respondent agrees that neither she nor anyone on her behalf, will make a public statement inconsistent with this Settlement Agreement.

68. The Settlement Agreement is effective and binding upon the Respondent and Staff as of the date of its acceptance by the Hearing Panel.

PART VIII – EXECUTION OF SETTLEMENT AGREEMENT

69. This Settlement Agreement may be signed in one or more counterparts which together will constitute a binding agreement.

70. A fax or electronic copy of any signature will be treated as an original signature.

DATED this "18th" day of June, 2021.

"James B. Camp"	"Roberta Benson"
Witness	Respondent
"Ricki Ann Newmarch"	"Sylvia Samuel"
Witness	Sylvia Samuel Enforcement Counsel on behalf of Enforcement Staff of the Investment Industry Regulatory Organization of Canada

The Settlement Agreement is hereby accepted this "7" day of "July", 2021 by the following Hearing Panel:

Per: "John Lorn McDougall"
Panel Chair

Per: "Daniel Iggers"
Panel Member

Per: "Vanessa Gardiner"
Panel Member