



CIRO · OCRI

Canadian Investment
Regulatory
Organization

Organisme canadien
de réglementation
des investissements

Order

File No. 202215

**IN THE MATTER OF
THE MUTUAL FUND DEALER RULESⁱ
and
Brent Michael Polischuk**

ORDER

WHEREAS on April 7, 2022, the Mutual Fund Dealers Association of Canada (the “MFDA” issued a Notice of Hearing pursuant to sections 20 and 24 of MFDA By-law No. 1 (now Mutual Fund Dealer Rules 7.3 and 7.4) in respect of a disciplinary proceeding commenced against Brent Michael Polischuk (the “Respondent”);

AND WHEREAS Staff and the Respondent filed an Agreed Statement of Facts dated April 6, 2023 in which the Respondent admitted to the conduct as outlined in the allegations of the Notice of Hearing;

AND WHEREAS on May 18, 2023 a Penalty hearing was conducted before a hearing panel of the Pacific District Hearing Committee (the “Hearing Panel”) electronically by videoconference;

AND WHEREAS on December 11, 2023, upon the request of Staff and with notice given to Counsel for the Respondent, who did not appear, the Hearing Panel heard submissions from Staff in relation to the decision;

AND UPON reading the Agreed Statement of Facts, the affidavits and written submissions of the parties and upon hearing the oral submissions of the parties, the Hearing Panel is of the opinion that:

1. Between November 2018 and March 16, 2020, the Respondent engaged in personal financial dealings with clients which gave rise to conflicts or potential conflicts of interest that he failed to disclose to the Member or otherwise address by the exercise of responsible business judgment influenced only by the best interests of the client, contrary to the policies and procedures of the Member and MFDA Rules 2.1.4, 2.1.1, 2.5.1 and 1.1.2 [now Mutual Fund Dealer Rules 2.1.4, 2.1.1, 2.1.5];
2. On or about March 11, 2020, the Respondent made false or misleading statements to the Member during the course of its investigation into his conduct, contrary to MFDA Rule 2.1.1 [now Mutual Fund Dealer Rule 2.1.1]; and
3. Commencing approximately June 16, 2020, the Respondent failed to cooperate with an investigation by MFDA Staff into his conduct, contrary to section 22.1 of MFDA By-law No. 1 [now Mutual Fund Dealer Rule 6.2.1].

IT IS HEREBY ORDERED THAT:

1. The Respondent is permanently prohibited from conducting securities related business in any capacity while in the employ of or associated with any Dealer Member of CIRO registered as a mutual fund dealer commencing on the date of this Order pursuant to s. 24.1.1(e) of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.1.1(e));
2. With respect to Contravention #1, on or before May 15, 2025, the Respondent shall pay a fine in the amount of \$87,713.41, pursuant to s. 24.1.1(b) of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.1.1(b)), which fine shall be reduced by any amounts the Respondent can establish, based on documentary evidence acceptable to Staff, that the Respondent has paid to Clients SH and DN on the balance of their loans prior to May 15, 2025, up to a maximum of \$62,713.41;

3. With respect to Contraventions #2 and #3, on or before May 15, 2025, the Respondent shall pay a fine of \$50,000, pursuant to s. 24.1.1(b) of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.1.1(b));

4. On or before May 15, 2025, the Respondent shall pay costs in the amount of \$10,000, pursuant to s. 24.2 of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.2);

5. If at any time a non-party to this proceeding, with the exception of the bodies set out in Mutual Fund Dealer Rule 6.3, requests production of or access to exhibits in this proceeding that contain personal information as defined by CIRO's Privacy Policy, then the Corporate Secretary's Office, Mutual Fund Dealer Division of CIRO shall not provide copies of or access to the requested exhibits to the non-party without first redacting from them any and all intimate financial and personal information, pursuant to Rules 1.8(2) and (5) of the Mutual Fund Dealer Rules of Procedure.

DATED this 10 day of January 2024.

"Michael Carroll"

Michael Carroll,
Chair

"Barbara Fraser"

Barbara Fraser,
Industry Representative

"Susan Monk"

Susan Monk,
Industry Representative

ⁱ On January 1, 2023, the Investment Industry Regulatory Organization of Canada ("IIROC") and the Mutual Fund Dealers Association of Canada (the "MFDA") were consolidated into a single self-regulatory organization that is called the Canadian Investment Regulatory Organization (referred to herein as "CIRO") and is recognized under applicable securities legislation. CIRO adopted interim rules that incorporate the pre-amalgamation regulatory requirements contained in the rules and policies of IIROC and the by-law, rules and policies of the MFDA (the "Interim Rules"). The Interim Rules include (i) the Investment Dealer and

Partially Consolidated Rules, (ii) the UMIR and (iii) the Mutual Fund Dealer Rules. These rules are largely based on the rules of IIROC and certain by-laws, rules and policies of the MFDA that were in force immediately prior to amalgamation. Pursuant to Mutual Fund Dealer Rule 1A and s. 14.6 of By-law No. 1 of CIRO, contraventions of former MFDA regulatory requirements may be enforced by CIRO. Pursuant to Mutual Fund Dealer Rule 1A, MFDA By-law No. 1 continues to be applicable to this proceeding