

Member Regulation Policy

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Disgorgement – Proposed Amendments to the Mutual Fund Dealer Rules

<https://www.ciro.ca/newsroom/publications/disgorgement-proposed-amendments-mutual-fund-dealer-rules>

Kenmar appreciate the opportunity to comment on subject consultation.

Kenmar Associates is an Ontario-based privately-funded organization focused on investor education via articles hosted at www.canadianfundwatch.com Kenmar also publishes the Fund OBSERVER on a monthly basis discussing consumer protection issues primarily for retail investors. Kenmar is actively engaged with regulatory affairs. An affiliate, Kenmar Portfolio Analytics, assists, on a no-charge basis, abused consumers and/or their counsel in filing investor complaints and restitution claims.

Kenmar support the proposed amendments to clarify disgorgement and to distribute the cash collected to the individuals harmed by the practices giving rise to the Hearing.

Hearing Panels will isolate disgorgement amounts in decision documents.

Seniors, retirees and vulnerable clients will appreciate this clarification.

Kenmar Associates

The distribution of cash will be in accordance with existing CIRO rules for disgorgement.

We stress again that the Firm's share of any sales commissions wrongfully collected should be part of disgorgement, not just the portion allocated to the registered individual facing the Hearing. CIRO Member Firms should not be permitted to retain ill- gotten gains.

This ensures a single standard for mutual fund and investment Dealers.

Please feel free to contact us if there are any questions.

Ken Kivenko, President
Kenmar Associates