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Canadian Investment Regulatory Organization
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Disgorgement - Proposed Amendments to the Mutual Fund Dealer Rules

I commend the CIRO for its leadership in directing collected disgorgement Orders to harmed mutual fund investors. This is a positive step towards investor protection.

I do have one issue. It is that the Dealer is not required to disgorge its ill-gotten gains as a result of a Hearing involving its authorized representative.

CIRO Dealers are responsible for monitoring the actions of their advisors and employees to ensure that they comply with the by-laws, rules and policies governing their activities. When they fail to meet this responsibility they must be held accountable. This is why it is not fair to allow the Dealer to retain its share of the money for their own profit.

I urge you to amend the rules such that sanctioned employees AND the Dealer responsible for their supervision be required to disgorge ALL cash improperly obtained.

It would be in the best interests of investors, CIRO and in the Public interest to provide harmed mutual fund investors 100% of the ill- gotten gains.

Thank you for the opportunity to provide an input to the important consultation.

Respectfully,

Mr. S. Gourley (investor)