Re Walker

IN THE MATTER OF:

The Mutual Fund Dealer Rules

and

Paul O'Brian Walker

2024 CIRO 43

Canadian Investment Regulatory Organization
Hearing Panel (Ontario District)

Heard: December 11, 2023 and January 22, 2023 in Toronto, Ontario (via videoconference)
Decision: March 28, 2024

Hearing Panel:
Emily Cole, Chair
Edward Jackson, Industry Representative
Joseph Yassi, Industry Representative

Appearances:
Alan Melamud, CIRO Senior Enforcement Counsel
Samantha Wu, CIRO Enforcement Counsel
Paul O'Brian Walker, Respondent (present)

DECISION (PENALTY) AND REASONS

I. INTRODUCTION

¶ 1 This was a hearing pursuant to sections 20 and 24 of By-Law No.1 of the Mutual Fund Dealers Association of Canada (the MFDA) to determine liability, the appropriate sanctions, and costs, if any, to be imposed upon Paul O'Brian Walker (the Respondent).

¶ 2 An Agreed Statement of Facts signed by Staff and the Respondent on November 28, 2023 (the ASF) was filed for our consideration. In the ASF, the Respondent admitted to engaging in the following misconduct:

(a) **Contravention #1**: Between 2010 and 2014, the Respondent recommended, sold, or facilitated the sale of shares and debentures offered by a company that he incorporated and operated, thereby engaging in securities related business that was not carried on for the account of the Dealer Member or through its facilities contrary to the Dealer Member's policies and procedures and MFDA Rules 1.1.1, 2.1.1, and 1.1.2 (as it relates to MFDA Rule 2.5.1) (now Mutual Fund Dealer Rules 1.1.1, 2.1.1, and 1.1.2(b) (as it relates to Mutual Fund Dealer Rule 2.5.1)).

(b) **Contravention #2**: Between 2010 and 2014, the Respondent solicited and received money from clients for the purchase of shares offered by a company that he incorporated and operated, which gave rise to a conflict or potential conflict of interest that the Respondent did not disclose to the Dealer Member or otherwise ensure was addressed by the exercise of responsible business judgment influenced only by the best interests of the client, contrary to the Dealer Member's policies and procedures and MFDA Rules 2.1.4, 2.1.1, and 1.1.2 (as it relates to MFDA Rule 2.5.1) (now Mutual Fund Dealer Rules 2.1.4(2), 2.1.1, and 1.1.2(b) (as it relates to Mutual Fund Dealer

Rule 2.5.1)).

(c) **Contravention #3**: Between November 2018 and May 2021, the Respondent engaged in personal financial dealings with client EL by soliciting and accepting a loan from client EL, which gave rise to a conflict or potential conflict of interest that the Respondent did not disclose to the Dealer Member or otherwise ensure was addressed by the exercise of responsible business judgment influenced only by the best interests of the client, contrary to the Dealer Member's policies and procedures and MFDA Rules 2.1.4, 2.1.1, and 1.1.2 (as it relates to MFDA Rule 2.5.1) (now Mutual Fund Dealer Rules 2.1.4(2), 2.1.1, and 1.1.2(b) (as it relates to Mutual Fund Dealer Rule 2.5.1)).

(d) **Contravention #4**: Between June 2010 and May 2021, the Respondent engaged in outside business activities that were not disclosed to or approved by the Dealer Member, contrary to the Dealer Member's policies and procedures and MFDA Rules 1.2.1(d), 2.1.1, and 1.1.2 (as it relates to MFDA Rule 2.5.1) (now Mutual Fund Dealer Rules 1.3.2, 2.1.1, and 1.1.2(b) (as it relates to Mutual Fund Dealer Rule 2.5.1)).

¶ 3 On January 1, 2023, the MFDA and the Investment Industry Regulatory Organization of Canada (IIROC) merged to form the Canadian Investment Regulatory Organization (CIRO). Under CIRO's transitional provisions, the conduct addressed by these reasons remains subject to the rules and bylaws of the MFDA that were in force at the time the conduct occurred.

¶ 4 The Respondent was self-represented at the hearing. After hearing submissions from Staff and the Respondent about liability and the appropriate sanctions, the Hearing Panel reserved its decision.

¶ 5 The Hearing Panel reviewed Staff's written submissions and carefully considered the oral submissions made by the parties at the hearing.

¶ 6 With respect to liability, we found that the Respondent breached the Member's policies and procedures and the MFDA Rules set out in the contraventions based on the facts in the ASF and the Respondent's admissions above.

¶ 7 With respect to penalty, Staff and the Respondent disagreed on the amount of fine and costs, if any. The Respondent did not oppose the imposition of a permanent prohibition of his authority to conduct securities related business as a mutual fund salesperson (now known as a dealing representative).

¶ 8 We decided the appropriate sanctions are:

(a) A permanent prohibition of the Respondent's authority to conduct securities related business in any capacity while in the employ of or associated with any Dealer Member of CIRO that is registered as a mutual fund dealer, pursuant to section 24.1.1(e) of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.1.1(e));

(b) A fine in the amount of $1,673,772 pursuant to s. 24.1.1(b) of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.1.1(b)); and

(c) Costs in the amount of $15,000, pursuant to section 24.2 of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.2).

¶ 9 These are the reasons for our decision.

AGREED FACTS

¶ 10 The Panel relied on the facts contained in the Agreed Statement of Facts attached. The key facts are summarized in these reasons.

ANALYSIS

JURISDICTION OF THE HEARING PANEL

¶ 11 A Hearing Panel is authorized to impose the following penalties:

> A Hearing Panel of the applicable Regional Council shall have power to impose upon an Approved Person or any other person under the jurisdiction of the Corporation any one or more of the following penalties:
>
> (a) a reprimand;
>
> (b) a fine not exceeding the greater of:
>
> (i) $5,000,000.00 per offence; and
>
> (ii) an amount equal to three times the profit obtained, or loss avoided by such person as a result of committing the violation;
>
> (c) suspension of the authority of the person to conduct securities related business for such specified period and upon such terms as the Hearing Panel may determine;
>
> (d) revocation of the authority of such person to conduct securities related business;
>
> (e) prohibition of the authority of the person to conduct securities related business in any capacity for any period of time;
>
> (f) such conditions of authority to conduct securities related business as may be considered appropriate by the Hearing Panel.
>
> Mutual Fund Dealers Association of Canada By-Law No. 1, s. 24.1.

¶ 12 Staff asked the panel to make a disgorgement order but acknowledged there is no MFDA Rule that gives us the specific authority to do so.

Factors to be considered in Determining Appropriate Sanctions

¶ 13 We followed the considerable jurisprudence developed by the courts and securities regulatory tribunals about our proper role as a tribunal and the factors we should consider in determining the appropriate sanctions.

¶ 14 The Supreme Court of Canada has directed that securities regulatory tribunals must keep in mind the primary goal of securities regulation which is the protection of the investing public.

> *Pezim v. British Columbia (Superintendent of Brokers)*, [1994] 2 S.C.R. 557.

¶ 15 The Supreme Court of Canada has also indicated that sanctions imposed in the securities regulatory context should be protective and preventative, intended to be exercised to prevent likely future harm to the capital markets.

> *Committee for Equal Treatment of Asbestos Minority Shareholders v. Ontario (Securities Commission)*, [2001] 2 S.C.R. 132.

¶ 16 The MFDA followed previous decisions by the Supreme Court of Canada and the Ontario Securities Commission when it outlined the appropriate role of an MFDA panel in determining penalty and provided guidance about the factors we should consider.

> The Ontario Securities Commission has set out succinctly its role, not dissimilar to the role of this Panel, in determining penalty in *Re Mithras Management Ltd. et al.* (1990), 13 O.S.C.B. 1600. The Commission stated at 1610:
>
> ... [T]he role of this Commission is to protect the public interest by removing from the capital markets -- wholly or partially, permanently or temporarily as the circumstances may warrant -- those whose conduct in the past leads us to conclude that their conduct in the future may well be detrimental to the

integrity of those capital markets. We are not here to punish past conduct; that is the role of the courts, particularly under section 118 of the Act. We are here to restrain, as best we can future conduct that is likely to be prejudicial to the public interest in having capital markets that are both fair and efficient.

Several previous decisions of industry tribunals, including an MFDA tribunal (*Re Parkinson*, [2005] MFDA Case No. 200501), have found the following factors should be taken into account in determining the appropriate sanctions to impose:

(a) the protection of the investing public;

(b) the integrity of the securities market;

(c) specific and general deterrents;

(d) the protection of the governing body's membership; and

(e) the protection of the integrity of the governing body's enforcement processes.

Moreover, the Supreme Court of Canada in the *Cartaway* decision, *supra*, has indicated that general deterrence is an appropriate consideration in making orders that are both protective and preventative. At para. 61 of that case, the Court stated:

In a word, a general deterrent is preventative. It is therefore reasonable to consider general deterrence as a factor, albeit not the only one, in imposing a sanction under s. 162. The respective importance of general deterrence as a factor will vary according to the breach of the Act and the circumstances of the person charged with breaching the Act.

Previous tribunals have set out a number of additional factors that should be considered in determining penalty. They include:

- The seriousness of the allegations proved against the respondent;
- The respondent's past conduct, including prior sanctions;
- The respondent's experience in the capital markets;
- The level of the respondent's activity in the capital markets;
- Whether the respondent recognizes the seriousness of the improper activity;
- The harm suffered by investors as a result of the respondent's activities;
- The benefits received by the respondent as a result of the improper activity;
- The risk to investors and the capital markets in the jurisdiction, were the respondent to continue to operate in capital markets in the jurisdiction;
- The damage caused to the integrity of the capital markets in the jurisdiction by the respondent's improper activities;
- The need to deter not only those involved in the case being considered, but also any others who participate in the capital markets, from engaging in similar improper activity;

- The need to alert others to the consequences of inappropriate activities to those who are permitted to participate in the capital markets; and

- Previous decisions made in similar circumstances.

See *Belteco Holdings Inc.* (1998), 21 O.S.C.B. 7743; M.C.J.C. *Holdings and Michael Cowpland* (2002), 25 O.S.C.B. 1133; and *Lamoureux (Re)*, [2002] A.S.C.D. No. 125.

Tonnies (Re), 2005 LNCMFDA 7 at paras. 44-48.

¶ 17 In determining the appropriate penalty, we are also governed by the principle of proportionality. The penalty must be proportionate to the seriousness of the misconduct and the particular circumstances of the Respondent. This helps CIRO meet its primary objective of investor protection.

¶ 18 The Panel considered the seriousness of the Respondent's misconduct. The Respondent's actions that he has admitted to constitute serious misconduct. The Respondent abused his status as an Approved Person to solicit clients and individuals to invest in his company. He failed to disclose to his clients that a Dealer had not approved his outside activities or the securities that he was selling to raise capital to invest in a corporation he controlled and acted as President and CEO. The Respondent's actions violated the trust his clients placed in him which is the heart of the advisor client relationship. He put his own interests ahead of his clients. The Respondent's actions were deliberate and self-serving.

The Respondent's Misconduct was Very Serious

¶ 19 The Respondent's misconduct was very serious because it was dishonest, deliberate and contrary to MFDA Rules, particularly the duty to act fairly, honestly and in good faith and to uphold the high standard of business conduct required of Approved Persons.

¶ 20 Honesty and integrity are key attributes of the high standard of business conduct expected of Approved Persons. Mutual Fund Dealer Rule 2.1.1 prescribes the standard of conduct applicable to registrants in the mutual fund industry. The Standard of Conduct Rule requires, among other things, that:

> Each Member and Approved Person of a Member shall: deal fairly, honestly and in good faith with its clients; observe high standards of ethics and conduct in the transaction of business; and not engage in any business conduct or practice which is unbecoming or detrimental to the public interest.
>
> Mutual Fund Dealer Rule 2.1.1(a)-(c).

The Respondent Engaged in Outside Unapproved Business Activities

¶ 21 Approved Persons are only permitted to conduct securities related business on behalf of a Dealer Member where the outside activity is not prohibited, the Approved Person discloses the outside activity to the Member and obtains approval.

> Mutual Fund Dealer Rule 1.3.2 Requirements for Outside Activity

¶ 22 Outside activity is defined in Rule 1.3.1:

> "outside activity" means any activity conducted by an Approved Person outside of the Member:
>
> (a) for which direct or indirect payment, compensation, consideration, or other benefit is received or expected;
>
> (b) involving any officer or director position and any other equivalent positions; or
>
> (c) involving any position of influence.
>
> Mutual Fund Dealer Rule 1.3.1.

¶ 23 At all material times, the Dealer Member's policies and procedures required Approved Persons to obtain

the Dealer Member's written approval before engaging in an outside business activity.

Agreed Statement of Facts, para. 12.

¶ 24 The Respondent admitted that in 2010, he incorporated IFS Global Technologies Inc. (IFS), a financial technology company intended to develop software for mutual fund advisors. The Respondent was a director, the Chair and President, a shareholder, and a creditor of IFS. Between 2010 and 2014, the Respondent recommended, sold, or facilitated the sale of approximately $1,433,772 of IFS shares to 25 clients and 25 other individuals and $100,000 of IFS debentures to one other individual.

¶ 25 The Respondent did not disclose to the Dealer Member that he was soliciting investments in IFS, and the sales that he recommended, sold, or facilitated the sale of shares and debentures offered by a company that he incorporated and operated, thereby engaging in securities related business that was not carried on for the account of the Dealer Member or through its facilities contrary to the Dealer Member's policies and procedures.

Agreed Statement of Facts, paras. 16, 22.

¶ 26 In this case, the Respondent disclosed his association with IFS as described below but failed to disclose or seek approval to solicit investments or facilitate the sale of securities in IFS.

¶ 27 The Dealer Member authorized and approved the Respondent's engagement in the operations of IFS as an outside business activity based on the following disclosures:

(a) On April 20, 2010, the Respondent disclosed that he was associated with IFS and that it was in the business of software development.

(b) On June 17, 2011, the Respondent disclosed that he was the Chief Executive Officer (the CEO) of IFS and that he was responsible for the general management of a team of developers involved in designing software.

(c) On May 5, 2015, the Respondent disclosed, that he was the CEO and Software Developer, responsible for overseeing development and marketing of products. He also disclosed that he was one of six partners.

(d) On June 12, 2015, the Respondent disclosed that he was the founder and CEO of IFS, involved with software development.

¶ 28 The Respondent did not disclose to the Dealer Member or obtain authorization from the Dealer Member to solicit investments or facilitate the sale of securities in IFS. In the 2011 and 2015 disclosures, the Respondent confirmed that his involvement with IFS did not give rise to any conflicts of interest.

Agreed Statement of Facts, paras. 15, 16.

¶ 29 In addition to the Respondent's failure to disclose the full extent of his involvement with IFS including that he was soliciting investments and facilitating the sale of shares in IFS, the Respondent also failed to disclose his involvement with other companies including HaltonStrat, Amalgolink, Apero and Ultra Retirement described below.

¶ 30 The Respondent disclosed to the Dealer Member and obtained the Dealer Member's approval to use the name HaltonStrat as a trade name for his mutual fund business.

¶ 31 However, the Respondent admitted that he did not disclose to the Dealer Member that he was engaging in activities in connection with the finance, purchase, and development of property in Jamaica and he did not obtain approval from the Dealer Member to do so.

Agreed Statement of Facts, para. 38.

¶ 32 Additional unapproved business activity included:

(a) On September 11, 2015, the Respondent incorporated Amalgolink Technologies Inc. (Amalgolink), which was intended to develop certain intellectual property arising from IFS's activities. The Respondent was a director of Amalgolink.

(b) On December 29, 2016, the Respondent incorporated Apero Management Group Inc. (Apero) to participate in a business involved in the management of condominium and other high-rise buildings. The Respondent was a director of Apero.

(c) Commencing in or around 2017, the Respondent was a director and shareholder of Ultra Retirement Solutions Inc. (Ultra Retirement), a company that owned and managed retirement properties. Ultra Retirement paid approximately $60,000 to HaltonStrat annually as compensation to the Respondent for his activities as a business development consultant and director and overall management of retirement properties.

¶ 33 The Respondent admitted that he did not disclose to the Dealer Member that he had incorporated Amalgolink, Apero, and Ultra Retirement, and he did not disclose to the Dealer Member his role as a director on behalf of each of the companies, and his activities in connection with the business operations of these companies. The Dealer Member did not grant approval to the Respondent to engage in these roles and activities with these companies.

Agreed Statement of Facts, paras. 39-40

¶ 34 As an Approved Person, the Respondent was required to be familiar with MFDA rules and knew or ought to have known that unapproved outside business activity is prohibited.

¶ 35 The Respondent admitted he signed 2011 and 2015 disclosures attesting his involvement with IFS did not give rise to any conflicts of interest. From these facts, the Panel infers that the Respondent deliberately omitted to disclose to the Member the full extent of his outside business activities, in particular that he was soliciting investments in IFS.

¶ 36 The rationale for full disclosure is to avoid confusing investors, individuals and the public by leaving the impression that the outside activity is the Member's business and will therefore be under the supervision of the Member.

¶ 37 The Respondent misled investors, individuals and the public by engaging in unapproved business activity, particularly soliciting the purchase of shares in his own company while acting as a dealing representative with Equity Associates. Investors would very likely conclude that all the products the Respondent was selling were vetted and approved by the Member.

The Respondent Engaged in Personal Financial Dealings

¶ 38 Approved Persons are obligated to disclose any conflict or potential conflicts of interest and address it by the exercise of responsible business judgement.

(a) Each Member and Approved Person shall be aware of the possibility of conflicts of interest arising between the interests of the Member or Approved Person and the interests of the client. Where an Approved Person becomes aware of any conflict or potential conflict of interest, the Approved Person shall immediately disclose such conflict or potential conflict of interest to the Member.

(b) In the event that such a conflict or potential conflict of interest arises, the Member and the Approved Person shall ensure that it is addressed by the exercise of responsible business judgment influenced only by the best interests of the client and in compliance with Rules 2.1.4(c) and (d).

Mutual Fund Dealer Rule 2.1.4.

¶ 39 The Respondent admitted that he engaged in personal financial dealings with client EL by soliciting and accepting a loan from client EL, which gave rise to a conflict or potential conflict of interest that the Respondent did not disclose to the Dealer Member or otherwise ensure was addressed by the exercise of responsible business judgment influenced only by the best interests of the client. The terms of the loan

agreement with EL were of a 'too good to be true' nature and ultimately resulted in a 100% loss of capital for EL.

Whether the Respondent Recognizes the Seriousness of the Improper Activity.

¶ 40 The Respondent refused to recognize the seriousness of his misconduct. At the hearing, the Respondent admitted his business may have flaunted and violated rules, but he tried to recharacterize his actions as altruism. The Respondent stated that it was unfortunate that IFS failed because he intended to provide a service to the mutual fund industry.

> So given that the nature of my business was for the furtherance of the benefit of the mutual fund industry, it was -- even though it may have flaunted and violated rules, it was service above self that led to the creation of this business.
>
> Merits Hearing, January 22, 2024, transcript page 25 li 3-6; page 37, li 5-10

¶ 41 The Respondent submitted that in determining the appropriate penalty the Panel should consider that IFS was a responsible company that paid taxes. He argued that there was absolutely no impropriety. IFS provided full disclosure to its investors and followed proper corporate governance including monthly board meetings and shareholder meetings.

¶ 42 Membership in the MFDA is a privilege not a right. Approved Persons have significant obligations when they deal with members of the public who are potential investors or clients.

¶ 43 The Respondent had been registered as an Approved Person since 2002. He knew or ought to have known MFDA rules, particularly the rules prohibiting borrowing money from clients and soliciting clients and selling securities outside the Dealer.

¶ 44 Whether the Respondent broke the rules for altruistic reasons does not change the fact that he broke the rules and investors were harmed as a result. We did not consider the Respondent's intent a mitigating factor to be considered in determining penalty.

The Harm Suffered by Investors as a result of the Respondent's Activities

¶ 45 The clients and other individuals lost $1,573,772 and have not been repaid.

> None of the clients or other individuals who invested in IFS or loaned money to the respondent have been repaid the principal amounts that they invested or loaned and none have received any compensation from the Respondent. The clients and other individuals suffered losses totaling $1,573,772. The Canada Revenue Agency has allowed an Allowable Business Investment Loss to be claimed on account of the loss of investment in IFS.
>
> Agreed Statement of Facts, para. 44.

¶ 46 The Respondent argued that we should not impose a penalty as high as $1,573,772 because that amount included monies invested in IFS by his family. He stated that his family understood if IFS did not do well and they lost their investment, they were prepared to accept that loss.

> Merits hearing, December 11, 2023, transcript at page 78, li 14–23

¶ 47 There is no evidence to support this argument.

The Benefits Received by the Respondent as a Result of the Improper Activity

¶ 48 The Respondent benefited by being able to access $1,573,772 to operate his company. He was able to access this money without the usual checks and balances a traditional lender or registered broker/dealer would have required. There was no evidence the Respondent used a prospectus or offering memorandum or any legal document vetted by a lawyer, to raise capital which would have alerted investors to the potential risks.

¶ 49 The monies received from investors were spent on various business expenses, including costs to develop software.

> Agreed Statement of Facts, para. 42.

¶ 50 The Respondent also used $102,921 of investor and individual money to reduce his personal financial exposure by repaying a portion of the loans he and his spouse made to IFS.

> Agreed Statement of Facts, para. 41.

¶ 51 As discussed above, the Respondent argued that he should not be penalized because his intention was to benefit the mutual fund industry. Regardless of what the Respondent's intention was, he received a benefit of $1,573,772 and the investors collectively suffered a corresponding loss of $1,573,772 as a result of the failure of IFS to become a successful operating business and its ultimate collapse. It is appropriate therefore that the fine be at least the amount that the Respondent benefited.

> A fine is a monetary sanction...Generally, the amount of a fine should at a minimum, have the effect of disgorging the amount of the financial benefit received by the Respondent as a result of the misconduct.
>
> The amount of a fine should be commensurate with the seriousness of the misconduct. In the most egregious cases, Hearing Panels may consider the maximum fines permitted under s.24 of MFDA By-law No. 1. A fine should not be tantamount to a licensing fee to engage in the misconduct.
>
> MFDA Sanction Guidelines, Part II Types of Sanctions

¶ 52 Just because there was no evidence of fraud does not negate the fact that the Respondent broke MFDA rules and investors suffered losses as a result. Had there been evidence of fraud, it would have been appropriate to impose a larger penalty.

> In appropriate cases, distinctions may be drawn between misconduct that was unintentional or negligent, and misconduct that was intentional, manipulative, fraudulent or deceptive....
>
> The following should also be taken into consideration:
>
> Deception – Attempts by the Respondent to conceal his or her misconduct or to lull into inactivity, mislead, deceive or intimidate an investor, the Member or regulatory authorities, should be considered an aggravating factor.
>
> MFDA Sanction Guidelines, Part I Key Factors to be Considered in Determining Sanctions - 3. The seriousness of the allegations proved against the Respondent.

The Risk to Investors and the Capital Markets if the Respondent Continued to Operate.

¶ 53 The investors and individuals suffered losses of $1,573,772. These monies have not been repaid and there is no evidence that they will ever be repaid. If the Respondent continued to solicit and borrow money from clients and individuals to invest in IFS, it is highly likely they would suffer further losses. There was no evidence to suggest that the Respondent, if given the opportunity, would not engage in similar misconduct in the future.

The Respondent's Failure to meet the Standard of Business Conduct Damaged the Integrity of the Capital Markets.

¶ 54 When Respondents fail to meet the high standard of business conduct expected of them and conduct business outside the safeguards of the Dealer, it causes damage to the integrity of the capital markets, tarnishes the reputation of and causes a loss of faith in the securities industry.

MITIGATING FACTORS

¶ 55 The Hearing Panel considered the fact that the Respondent has not previously been the subject of CIRO disciplinary proceedings, and he entered into an Agreed Statement of Facts which reduced the length of the hearing but found that these mitigating factors did not outweigh the seriousness of the Respondent's misconduct.

COSTS

¶ 56 The Panel reviewed the bill of costs in the amount of $33,200. Staff requested $15,000 costs. The Panel determined in the circumstances costs in the amount of $15,000 are appropriate and consistent with previous

decisions.

CONCLUSION

¶ 57 We decided that the sanctions, including a permanent prohibition of the Respondent's authority to conduct securities related business in any capacity while in the employ of or associated with a Member of the MFDA and a $1,673,772 fine are necessary to serve as specific deterrence to the Respondent, Paul O'Brian Walker, and general deterrence to others in the industry who may contemplate engaging in similar misconduct in the future.

¶ 58 After considering the factors discussed above, we are satisfied the sanctions we are imposing are proportionate to the seriousness of the misconduct and the particular circumstances of the Respondent.

ORDER

¶ 59 We order the following sanctions against the Respondent, Paul O'Brian Walker:

(a) A permanent prohibition of Paul O'Brian Walker's authority to conduct securities related business in any capacity while in the employ of or associated with any Dealer Member of CIRO that is registered as a mutual fund dealer;

(b) A fine in the amount of $1,673,772; and

(c) Costs in the amount of $15,000.

DATED at Toronto, Ontario this 28th day of March 2024

"Emily Cole"

Emily Cole, Chair

"Edward Jackson"

Edward Jackson, Industry Representative

"Joseph Yassi"

Joseph Yassi, Industry Representative