



Ontario
Securities
Commission

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valeurs mobilières
de l'Ontario

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IN THE MATTER OF THE APPLICATION FOR REGISTRATION OF SAMER SHAMSHUM

DECISION OF THE DIRECTOR

Having reviewed and considered the agreed statement of facts, the admissions by Samer Shamshum (**Shamshum**), and the joint recommendation to the Director by Shamshum and the Compliance and Registrant Regulation Branch of the Ontario Securities Commission (the **CRR Branch**) contained in the settlement agreement signed by Shamshum on January 12, 2024, and by the CRR Branch on January 18, 2024 (the **Settlement Agreement**), a copy of which is attached as Appendix “A” to this Decision, and on the basis of those agreed facts and admissions, I, Debra Foubert, in my capacity as Director under the *Securities Act*, R.S.O. 1990, c. S.5 (the **Act**), accept the joint recommendation of the parties, and make the following decision:

1. Shamshum will withdraw his application for registration as a mutual fund dealing representative with Royal Mutual Funds Inc. and will not reapply for registration under the Act for a period of at least six months from the date of this decision.
2. Before reapplying for registration, Shamshum will provide the CRR Branch with proof that he has successfully completed the Ethics and Professional Conduct Course offered by the IFSE Institute.

3. If Shamshum complies with the requirements of paragraphs 1 and 2 above, then upon Shamshum reapplying for registration, the CRR Branch will not recommend to the Director that his application be refused unless the CRR Branch becomes aware after the date of this Settlement Agreement of conduct impugning Shamshum's suitability for registration or rendering his registration otherwise objectionable, provided Shamshum meets all other applicable criteria for registration at the time he reappplies.
4. If Shamshum reappplies for, and is granted, registration, his registration will be subject to close supervision terms and conditions for a period of at least one year from the date his registration is granted.
5. This Settlement Agreement will be published on the website of the Ontario Securities Commission and in the OSC Bulletin.

January 23, 2024

Date

Debra Foubert

Debra Foubert

Appendix “A”

IN THE MATTER OF THE APPLICATION FOR REGISTRATION OF SAMER SHAMSHUM

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. This settlement agreement (the **Settlement Agreement**) between the Compliance and Registrant Regulation Branch of the Ontario Securities Commission (the **CRR Branch**) and Samer Shamshum (**Shamshum**) relates to Shamshum’s application for registration as a mutual fund dealing representative with Royal Mutual Funds Inc. (the **Application**).

2. As more particularly described in this Settlement Agreement, Shamshum failed to conduct himself with the integrity required of a registered individual on three occasions: (a) when he completed his Form 33-109F4 *Registration of Individuals and Review of Permitted Individuals* (**Form F4**) to seek registration under the *Securities Act*, R.S.O. 1990, c. S.5 (the **Act**), (b) when he was interviewed by Scotiabank regarding a series of workplace incidents, and (c) when he was interviewed by TD Bank regarding another workplace incident.

3. As a result of this conduct, the CRR Branch informed Shamshum that it was recommending to the Director that the Application be refused. This recommendation would entitle Shamshum to an opportunity to be heard by the Director pursuant to s. 31 of the Act. To resolve this matter, Shamshum and the CRR Branch have agreed to the joint recommendation set out herein.

II. AGREED STATEMENT OF FACTS

4. The CRR Branch and Shamshum agree as to the following facts.

A. Registration History

5. Shamshum has been registered under the Act as a mutual fund dealing representative as follows: (a) TD Investment Services Inc.: August 12, 2015 to April 10, 2017; (b) Scotia Securities Inc.: July 19, 2018 to April 23, 2019; and (c) TD Investment Services Inc.: June 16, 2020 to June 2, 2022.

6. Each time Shamshum was registered, he was also employed by his sponsor firm's bank parent.

B. False Statement on Form F4

7. In 2014, Shamshum was briefly employed by CIBC as a teller, but was terminated from this position during his probationary period for failing to come to work on time.

8. On August 11, 2015, Shamshum applied for registration with TD Investment Services Inc. for the first time by submitting a Form F4. In Item 11 – *Previous employment and other activities* of his Form F4, Shamshum gave the following explanation for his departure from CIBC: “Pursue other endeavours”. This statement was false.

9. On July 18, 2018, Shamshum applied for registration with Scotia Securities Inc. by submitting another Form F4 that contained the same false statement concerning his departure from CIBC.

10. On May 8, 2020, Shamshum applied for registration with TD Investment Services Inc. for the second time by submitting another Form F4 that contained the same false statement concerning his departure from CIBC.

11. On February 9, 2023, Shamshum made the Application by submitting another Form F4 that contained the same false statement concerning his departure from CIBC.

12. Shamshum has now amended his Form F4 with the correct information concerning his departure from CIBC and has thoroughly reviewed the balance of it and is satisfied that it does not contain any other false statements, to the best of his knowledge.

C. Misrepresentations to Scotiabank

13. In or around March 2019, Shamshum was involved in a series of incidents at Scotiabank that generally involved him making statements to colleagues that violated the bank's policy concerning respect in the workplace.

14. Scotiabank's human resources department interviewed Shamshum as part of its internal investigation into complaints about the statements he had made to his colleagues. During this interview, Shamshum was not truthful with the investigators and initially denied that he had made the statements that were the subject of the complaints. Shamshum eventually admitted to the investigators that he had made the comments, but changed the context in which they were made in an effort to minimize them.

15. Shamshum was terminated for cause by Scotiabank and Scotia Securities Inc. on April 23, 2019 for his statements, and consequently by operation of Ontario securities law, his registration was suspended immediately.

D. Misrepresentations to TD Bank

16. On December 8, 2021, Shamshum was involved in a workplace dispute with two colleagues at TD Bank. During this dispute, one of the colleagues (**Colleague A**) made an inappropriate comment to Shamshum.

17. Angered by the inappropriate comment made by Colleague A, later on December 8, 2021, Shamshum made an inappropriate statement concerning Colleague A. This statement was not made in Colleague A's presence, but was made at different times in the presence of three other colleagues.

18. TD Bank's human resources department interviewed Shamshum as part of its internal investigation into the statement he had made concerning Colleague A. Shamshum was not truthful with the investigators and he denied that he had made the statement.

19. Shamshum resigned from TD Bank and TD Securities Inc. effective June 2, 2022, while the internal investigation was still ongoing, and consequently by operation of Ontario securities law, his registration was suspended immediately.

20. TD Bank ultimately determined that Shamshum had made the statement in question regarding Colleague A, and that in doing so, he had violated the bank's policy concerning respect in the workplace.

E. The CRR Branch Recommends Refusal of the Application

21. Shamshum submitted the Application on February 9, 2023.

22. Following an investigation into the matters described in this Part II of the Settlement Agreement, and on the basis of the findings of that investigation, on November 17, 2023, the CRR Branch recommended to the Director that the Application be refused.

III. ADMISSIONS BY SHAMSHUM

23. Shamshum admits that he engaged in the conduct described in Part II of this Settlement Agreement.

24. Shamshum admits that by submitting a Form F4 that contained a false explanation regarding his departure from CIBC, he failed to comply with s. 122(1)(b) of the Act and failed to act with the integrity that is required of a registered individual under s. 27 of the Act.

25. Shamshum admits that by not being truthful with investigators at Scotiabank and TD Bank, he failed to act with the integrity that is required of a registered individual under s. 27 of the Act.

IV. JOINT RECOMMENDATION

26. Pursuant to s. 31 of the Act, Shamshum is entitled to an opportunity to be heard in respect of the recommendation by the CRR Branch that the Application be refused. To settle this matter without recourse to the opportunity to be heard process, the CRR Branch and Shamshum make the following joint recommendation to the Director regarding the Application:

- (a) Shamshum will withdraw the Application and will not reapply for registration under the Act for a period of at least six months from the date this Settlement Agreement is approved by the Director;

- (b) Before reapplying for registration, Shamshum will provide the CRR Branch with proof that he has successfully completed the Ethics and Professional Conduct Course offered by the IFSE Institute;
- (c) If Shamshum complies with paragraphs 26(a) and (b) above, then upon Shamshum reapplying for registration, the CRR Branch will not recommend to the Director that his application be refused unless the CRR Branch becomes aware after the date of this Settlement Agreement of conduct impugning Shamshum's suitability for registration or rendering his registration otherwise objectionable, provided Shamshum meets all other applicable criteria for registration at the time he reapplies;
- (d) If Shamshum reapplies for, and is granted, registration, his registration will be subject to close supervision terms and conditions for a period of at least one year from the date his registration is granted; and
- (e) This Settlement Agreement will be published on the website of the Ontario Securities Commission and in the OSC Bulletin.

27. The parties submit that their joint recommendation to the Director is reasonable, having regard to the following factors:

- (a) Shamshum does not have a prior disciplinary history with the Ontario Securities Commission or the Canadian Investment Regulatory Organization (or its predecessor organizations);
- (b) Shamshum's conduct did not result in any financial losses to investors;
- (c) Shamshum has recognized and acknowledged his misconduct; and

(d) By agreeing to this Settlement Agreement, Shamshum has saved the CRR Branch and the Director the time and resources that would have been required for an opportunity to be heard.

28. The parties acknowledge that if the Director does not accept this joint recommendation:

(a) This joint recommendation and all discussions and negotiations between the CRR Branch and Shamshum in relation to this matter, including the admissions in this Settlement Agreement, shall be without prejudice to the parties; and

(b) Shamshum will be entitled to an opportunity to be heard in accordance with section 31 of the Act in respect of the recommendation made by the CRR Branch that the Application be refused.

Elizabeth A. King

Samer Shamshum

Elizabeth A. King
Deputy Director, Registrant Conduct
Compliance and Registrant Regulation

Samer Shamshum

January 18, 2024

January 12, 2024

Date

Date