

December 20, 2011

John Stevenson, Secretary
Ontario Securities Commission
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Toronto, ON M5H 3S8
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RE: OSC Staff Notice 15-704: Request for Comments on Proposed Enforcement Initiatives

FAIR Canada is pleased to offer comments on the Ontario Securities Commission's ("OSC") proposed enforcement initiatives as set out in OSC Staff Notice 15-704 (the "Staff Notice").

FAIR Canada is a national, non-profit organization dedicated to putting investors first. As a voice of Canadian investors, FAIR Canada is committed to advocating for stronger investor protections in securities regulation. Visit www.faircanada.ca for more information.

FAIR Canada Comments and Recommendations – Executive Summary:

1. FAIR Canada is pleased that the OSC is considering new enforcement policy initiatives in order to increase its effectiveness in protecting the public interest and we support the OSC's focus on combating misconduct that causes harm to investors, as stated in its 2011 Annual Report.
2. FAIR Canada is concerned that the proposed no-contest settlement program as presently conceived will make it more difficult for investors to recover losses and will not further deter corporations and individuals from violating securities laws. We do not agree that the OSC should seek "regulatory neutrality" as between wrongdoers and victims. FAIR Canada recommends that no-contest settlements be further restricted so that cases are only eligible for no-contest settlements either: (a) where there is no harm to investors and, therefore, no need for investors to seek compensation, or (b) where the defendant(s) will provide fair and reasonable compensation to aggrieved investors.
3. We recommend that the OSC publish a report which provides information on Executive Director-approved settlements ("Executive Director Settlements"), including the type of Executive Director Settlements, the number of Executive Director Settlements reached each year and whether defendants have subsequently breached securities laws or acted contrary to the public interest since the inception of the Guidelines for the Approval by the Executive Director of Settlements of Enforcement Matters (the "Guidelines") in 2008. This will allow for greater transparency about this use of discretion and will allow stakeholders to comment on whether such settlements should be used more sparingly, or whether greater use of such settlements would be in the public interest.
4. FAIR Canada supports the introduction of a whistleblower program and urges the OSC to launch

such a program as soon as practicable in order to allow it to gain valuable information that it may not otherwise obtain and in order to aid in carrying out its mandate to protect investors and foster confidence in our capital markets. We also recommend that regulators consider introducing rules that require all registrants to report potential serious misconduct by other registrants.

5. FAIR Canada supports the new program for explicit No-Enforcement Action Agreements as outlined in the Staff Notice and its clarification of the process for self-reporting under the OSC's credit for cooperation program.
6. FAIR Canada urges the Ontario Ministry of Finance to take the steps necessary to give the OSC power to order financial compensation for aggrieved investors (thereby eliminating the need for investors to go through the courts to obtain compensation for financial loss) as was recommended by the Expert Panel on Securities Regulation (2009) and the Ontario Legislature's Standing Committee on Government Agencies (March 2010). An increased focus on victim compensation would further the OSC's mandate to protect investors and foster confidence in the capital markets.
7. FAIR Canada believes that statistical information on the performance of the securities enforcement system in Canada is needed in order to provide better transparency and accountability to the public and in order that securities regulators, other enforcement agencies, and other bodies can determine more effective solutions to help enhance enforcement efforts. As a first step in providing statistical information, we urge the OSC to publish statistical information regarding its ability to collect settlement amounts, administrative penalties, and ordered disgorgement. This information is currently provided by the Alberta Securities Commission ("ASC") and the Canadian self regulatory organizations ("SROs") but not by the OSC.

1. Proposed No-Contest Settlement Program

- 1.1. The OSC's stated reasons for the introduction of no-contest settlements are to reduce the time required to reach a settlement and to increase the number of settlements while allowing for "regulatory neutrality". The 2011 OSC Annual Report provides: "At the litigation stage, Enforcement staff are exploring the use of settlement agreements that do not require admissions of fact. These agreements would allow the OSC to seek sanctions against individuals and companies to protect the public interest in a timely way while allowing for regulatory neutrality." It also indicates that the OSC is considering new enforcement policy initiatives that would "...further increase its effectiveness in protecting the public interest. The policy tools would support the OSC's focus on combating misconduct that causes direct harm to investors."

The October 21, 2011 OSC News Release regarding the proposed enforcement initiatives states: "These enhancements have two goals. Firstly, they are expected to improve the information coming into the OSC in terms of quality, quantity and timeliness. Secondly, these tools leverage existing resources and allow staff to expedite the resolution of Commission enforcement matters."

- 1.2. **The purpose of any OSC regulatory enforcement policy initiative must be to aid the OSC in its mandate to help protect investors from unfair, improper or fraudulent practices and foster fair and efficient capital markets and confidence in capital markets.**
- 1.3. It is argued by defendants' counsel that settlements with corporate and individual defendants can be difficult to finalize, as defendants do not want to agree to admissions that could be used by a

plaintiff (i.e. an aggrieved investor) in a civil proceeding (including a class action). Defendants have to weigh the risks and benefits of agreeing to a settlement in which the terms and conditions (including admissions, fines and other possible sanctions) are agreed upon compared with proceeding to a trial or hearing where the outcome is not known with any certainty.

- 1.4. No-contest settlements may make it easier to reach settlements as defendants who come within the required criteria will not have to admit any wrongdoing, which will likely benefit defendants as it will greatly reduce public stigma and civil litigation risks will be lowered. **However, it is less clear that investors will be better protected and the public interest served by instituting such a program.** Reaching settlements quickly does not assist the OSC in its fundamental mandate of protecting investors or fostering fair and efficient capital markets beyond possibly increasing the number of matters which will not require a hearing and thereby generating some immediate efficiency gains for the OSC from an administrative resources standpoint. While we have sympathy for the OSC's constrained resources, we question whether this is an appropriate solution.
- 1.5. **FAIR Canada does not agree that the OSC should be seeking "regulatory neutrality" when it proposes regulatory initiatives aimed at allowing it to fulfil its purposes of investor protection and fostering fair and efficient capital markets. There should not be regulatory neutrality as between wrongdoers and victims given the OSC's mandate.** When capital market participants are held accountable for having breached securities laws or otherwise having acted contrary to the public interest, and a factual basis for wrongdoing is obtained, this: serves to deter others; educates market participants of the OSC's interpretation of regulatory standards and its view of the seriousness of particular misconduct; and, rightfully assists investors in lawfully seeking compensation through the civil process.
- 1.6. Factual and legal admissions aid in uncovering the truth, which is in the public interest. Such admissions may also serve to rightfully aid wronged investors in pursuing their legal rights and also serve the broader public interest by providing transparency and accountability on the part of defendants who have breached securities laws or otherwise acted contrary to the public interest.
- 1.7. FAIR Canada therefore disagrees with the justification for no-contest settlements made by the thirteen respondents counsels' submission dated November 29, 2011 (the "Respondents' Submission") which states that "...a no contest settlement option would serve to protect parties from similar derivative use of admissions and findings of fact and regulatory liability."
- 1.8. **It is not the role of the OSC to protect defendants from having admissions of wrongdoing used against them in civil suits by investors. Indeed such admissions are wholly consistent with its mandate to protect investors.** We agree with the statement by Douglas Worndl and Dimitri Lascaris of Siskinds in their comments on the Staff Notice that "no-contest settlements are not neutral as they help wrongdoers evade accountability at the expense of investors." If an evidentiary foundation is provided in a settlement, such facts (or truths) should be able to be used by investors to assist them in proving their own claims. The introduction of no-contest settlements opens the door to the OSC being a barrier to investors' ability to recoup their losses through private litigation.
- 1.9. The OSC has restricted no-contest settlements to those market participants who have cooperated with OSC staff during the investigation, have not been the subject of enforcement or regulatory activity by the OSC or any other agency and also requires that the no-contest settlement meets the public interest requirements set out in the *Securities Act* in respect of orders made pursuant to section 127.
- 1.10. It is unclear how a no-contest settlement can meet the requirement that it be in the public interest if there are no admissions and there is no factual foundation to which the OSC

Commission Panel can refer when determining whether to publicly approve such a settlement and justify a sanction (such as a monetary fine, disgorgement, or a ban on being a public officer or director for a period of time). The public will not have the information necessary to determine whether the order is too lenient or too harsh – is an individual officer or director of a company taking the fall for wrongdoing that rightfully belongs with the company or, alternatively, is a company getting off lightly given their ability to exert influence? See the decision of the Commission des valeurs mobilières du Québec (“CVMQ”) in *Bombardier Inc. (2002)* where the CVMQ refused to provide its approval to the proposed settlement given the lack of any evidence by admissions or facts sufficient to impose the agreed-upon sanctions¹.

- 1.11. The adjudicating panel of Commissioners pursuant to Rule 12 of the *OSC Rules of Procedure* and the practice guidelines that were published by the OSC in July 1997 specify that there should be a full and accurate statement of relevant facts by the respondent. In this way the Commission Panel can determine if approving the settlement would be in the public interest. The panel cannot simply be a “rubber stamp” but needs to have the ability to determine whether the settlement is fair, reasonable and in the public interest. It is suggested in the Respondents’ Submission that the respondents and OSC Enforcement Staff will present evidence at a “confidential” pre-hearing settlement conference pursuant to Rule 12; evidence will be pre-screened by a Commission Panel who do not sit at the formal hearing. The follow-on public Commission Panel would not be presented with the same evidence. **Such a process would go against the principle of transparency and therefore lacks accountability; this cannot meet the test of being in the public interest. The public Commission Panel cannot simply rubber stamp the settlement agreement on the basis that the “confidential” panel has given it their ok.**
- 1.12. The use of no-contest settlements has recently been called into question in the United States, most famously by Judge Jed Rakoff of the United States District Court, Southern District of New York in *SEC v. Citigroup Global Markets Inc.*² It will also be the subject of a Congressional hearing by the House Financial Services Committee, supported by both Republican and Democratic lawmakers. As stated by one of the Representatives: “The policy of signing agreements without forcing firms to admit or deny wrongdoing raises serious issues.”³
- 1.13. Judge Rakoff, in rejecting the settlement between Citigroup and the SEC, provided clear reasons why no-contest settlements are not in the public interest:

...the Court concludes, regretfully, that the proposed Consent Judgement is neither fair, nor reasonable, nor adequate, nor in the public interest. Most fundamentally, this is because it does not provide the Court with a sufficient evidentiary basis to know whether the requested relief is justified under any of these standards. Purely private parties can settle a case without ever agreeing on the facts, for all that is required is that a plaintiff dismiss his complaint. But when a public agency asks a court to become its partner in enforcement by imposing wide-ranging injunctive remedies on a defendant, enforced by the formidable judicial power of contempt, the court, and the public, need some knowledge of what the underlying facts are: for otherwise, the court becomes a mere handmaiden to a settlement privately negotiated on the basis of

¹ See Decision de la CVMQ l’affaire Bombardier Inc., available online at http://epe.lac-bac.gc.ca/100/202/300/bulletin_hebdomadaire_cvmq/2002/v33n43.pdf.

² *S.E.C. v. Citigroup Global Markets Inc.* (October 27, 2011 Unreported endorsement of Jed S. Rakoff, U.S.D.J., 11 Civ. 7387 JSR, S.D.N.Y.).

³ See New York Times, “Congress to Examine S.E.C. Settlement Policy”, December 16, 2011. Available online at <http://dealbook.nytimes.com/2011/12/16/congress-to-hold-hearings-on-s-e-c-settlement-practices/>.

unknown facts, while the public is deprived of ever knowing the truth in a matter of obvious public importance.

...It is not reasonable, because how can it ever be reasonable to impose substantial relief on the basis of mere allegations? It is not fair, because, despite Citigroup's nominal consent, the potential for abuse in imposing penalties on the basis of facts that are neither proven nor acknowledged is patent. It is not adequate, because, in the absence of any facts, the Court lacks a framework for determining adequacy. And, most obviously, the proposed Consent Judgement does not serve the public interest, because it asks the Court to employ its power and assert its authority when it does not know the facts.

- 1.14. Recent New York Times articles also suggest that no-contest settlements do not achieve the goal of deterrence and that market participants see them as a "cost of doing business". The New York Times analyzed enforcement cases and found at least 51 cases in which 19 Wall Street firms had broken anti-fraud laws they had agreed never to breach again and that the SEC had not brought contempt charges against any large financial firm in the last 10 years.⁴
- 1.15. FAIR Canada recommends that if the OSC introduces no-contest settlements in order to increase its efficiency, it consider restricting their use further by limiting them to those market participants who meet the aforementioned criteria (see section 1.2 above) and who (a) have not caused any harm to investors (and therefore there is no need for investors to seek compensation through a civil process or otherwise), or (b) who agree to provide fair and reasonable compensation to investors, either in settlement of a civil action or as additional monetary sanctions paid to the OSC for distribution to investors.
- 1.16. FAIR Canada disagrees with the Respondents' Submission that no-contest settlements should be expanded and not limited to those who meet the criteria within the Staff Notice. The Respondents' Submission states that

...there are other situations and circumstances that may dictate it being in the public interest for such a settlement to occur. For example, in a matter where Staff have concluded that obtaining administrative sanctions against a party are vital (such as removing trading exemptions or suspending a director or officer of a public company or a registrant), yet the case against the party is legally or factually complex, success may be difficult to attain, or may take many years of litigation to conclude, and therefore there is considerable risk of not obtaining the sanction order, or obtaining a sanction order after further damage has been caused to investors and the capital markets.
- 1.17. If there is risk to investors or to the capital markets, the OSC has the ability to make temporary orders regarding restrictions in the trading of securities, and removing exemptions and may bring an application to the Ontario Superior Court of Justice for an interim order. A no-contest settlement agreement would not serve the public interest in such circumstances as the wrongdoer could avoid any accountability.
- 1.18. FAIR Canada suggests that the OSC consider whether instituting no-contest settlements will make it even more difficult for the OSC to conclude settlements with defendants who do not meet the stated criteria for no-contest settlements and who therefore have to agree to admissions of fact and admissions of liability. While the Staff Notice states that "...OSC staff will continue to welcome

⁴ See New York Times, "Promises Made, and Remade, by Firms in S.E.C. Fraud Cases by Edward Wyatt, available online at <http://www.nytimes.com/2011/11/08/business/in-sec-fraud-cases-banks-make-and-break-promises.html?scp=1&sq=promises%20made%20and%20remade%20edward%20wyatt&st=cse..>

proposals from market participants to enter into negotiations aimed at settling enforcement matters on a basis that includes an admission of facts, or an admission of non-compliance with Ontario securities law or conduct contrary to the public interest”, defendants will likely pressure the OSC to expand those who fit within the “no-contest settlement” regime in order to avoid making admissions and therefore settlements with admissions might end up being even more protracted.

2. Proposed Greater Use of Voluntary Settlement Agreements that Are Approved by the Executive Director

- 2.1. Executive Director Settlements provide an opportunity for early resolution of matters before the formal commencement of proceedings. Guidelines for the Approval by the Executive Director of Settlements of Enforcement Matters (the “Guidelines”) were published in 2008.
- 2.2. FAIR Canada is not aware of how frequently Executive Director Settlements are entered into but the Guidelines suggest that only settlements involving technical breaches by a party who has a clean record and has self-reported, and where there has not been significant harm to investors, would qualify.
- 2.3. FAIR Canada notes that Executive Director Settlements are published in the OSC Bulletin and posted on the OSC’s website and that the Executive Director, on a quarterly basis, prepares a written report to the OSC describing any Executive Director’s Settlements approved. We recommend that the OSC publish a report which provides information on Executive Director Settlements, including the type of settlements, how many Executive Director Settlements there have been each year and whether defendants have subsequently breached securities laws or have acted contrary to the public interest and such report cover the period since the inception of the Guidelines in 2008. This will allow for greater transparency about the use of this discretion and will allow stakeholders to comment on whether such settlements should be used more sparingly, or whether greater use of such settlements would be in the public interest.
- 2.4. Given that there is no formal commencement of proceedings, there are no statements of allegations in respect of Executive Director Settlements so the ability to assess whether or not such settlements are in the public interest is limited. This suggests that the use of such settlements should be circumscribed and not expanded.

3. Introduction of a Whistleblower Program

- 3.1. The Staff Notice indicates that OSC staff has been examining the introduction of a new whistleblower program, under which incentives (including financial compensation and/or protection from retaliation) would be provided to persons who provide the OSC with information about misconduct in the marketplace. Such a program is the subject of an “ongoing study” and part of a “phased approach” which “may result in a separate staff notice inviting comment in the near future.” The Staff Notice states that issues such as funding the program and the possible need for legislative amendments require more consideration by staff prior to issuing a notice for comment.
- 3.2. **FAIR Canada supports the introduction of a whistleblower program and urges the OSC to launch such a program as soon as practicable in order to allow it to gain valuable information that it may not otherwise obtain, to better enable the OSC to support its enforcement activities and fulfil its mandate to protect investors and foster confidence in our capital markets.**
- 3.3. In the United States, there are two securities-related whistleblower programs already in place. The Financial Industry Regulatory Authority (“FINRA”) has had an Office of the Whistleblower since March 2009 (which does not offer financial incentives) and the SEC has implemented the Dodd-Frank Whistleblower Program which does provide monetary awards to eligible individuals

who voluntarily provide original information that leads to successful Commission enforcement actions.⁵

- 3.4. Mary Shapiro, Chairman of the SEC, and Cameron Funkhouser, Executive Vice President FINRA Office of Fraud Detection and Market Intelligence, spoke favourably about how whistleblower programs increase the number and quality of tips received at The State and Future of Financial Fraud Conference, in Washington, D.C. in November of this year. Mary Shapiro noted:

In addition, when the SEC adopted rules creating the Whistleblower Program, we were finally able to offer substantial cash rewards to insiders and others with useful information about violations of the securities laws and abuse of the public trust. The result of all this is that the quality of the tips we receive has improved substantially and generated a number of cases now in the pipeline.

- 3.5. According to a citation provided by Prof. Neil Shover in a paper entitled “Consumer Fraud: Who Commits It, Why, and a Policy Bearing”, “[w]histleblowers and informants have proven to be the most successful source of information on some types of white-collar crime.” Given the perceived lack of effectiveness in fighting white-collar crime in Canada, implementing a whistleblower program would help fight fraud and be an important additional enforcement initiative which would further the mandate of the OSC.
- 3.6. Instituting a whistleblower program at the OSC will require systems and personnel in order to effectively track the tips coming in and respond to them. The SEC’s Office of the Whistleblower has one person who heads the office, five attorneys and a paralegal and is currently hiring a Deputy Chief.⁶ Since its inception in May 2011 it has returned over 900 phone calls from the public. It also received 334 whistleblower tips from August 12, 2011 through September 30, 2011. It appears that individuals are contributing information to enforcement staff which will likely aid the SEC in its ability to detect and combat fraud and securities violations and to do so earlier than it would otherwise have been able to. Resources will have to be found to run such a program, but the ability to pursue enforcement cases that the OSC may not have otherwise been able to make it a valuable and needed program.
- 3.7. IIROC also has a Whistleblower Service in existence that “...has been established to receive, evaluate and take prompt and effective action on reported first-hand knowledge or tangible evidence of potential systemic wrongdoing, potential securities frauds or unethical behaviour by IIROC-regulated individuals or firms.” IIROC assigned senior staff to evaluate whistleblower tips when it was first established to evaluate and closely supervise the program and now has as a first point of contact for all users of the Whistleblower Service either a Manager or the Director of Case Assessment who provide an initial assessment and then whistleblowers may deal directly with a member of the IIROC Whistleblower Team which consists of three senior staff members. Such a program would be simple for the OSC to establish and could be expanded upon in a timely manner after consultation on a more elaborate program such as that implemented by the SEC.

Professional Responsibility of Registrants – Duty to Report Misconduct

- 3.8. FAIR Canada, in its Report on a Decade of Financial Scandals, recommends that regulators and SROs should require registrants to report to a commission or SRO when they have knowledge that suggests that another registrant is engaged in unprofessional conduct. Registrants (as one type of potential whistleblower) are often best placed to detect potential fraud or other misconduct by

⁵ U.S. Securities and Exchange Commission, Annual Report on the Dodd-Frank Whistleblower Program, Fiscal Year 2011, available online at <http://www.sec.gov/about/offices/owb/whistleblower-annual-report-2011.pdf>.

⁶ *Supra*, at page 3.

another registrant (whether individual or firm).⁷ Reporting potential misconduct could lead to the misconduct being identified at an earlier stage and loss or damage to clients being reduced or eliminated.

4. Proposed No-Enforcement Action Agreements and Clarified Process for Self-Reporting

- 4.1. FAIR Canada supports the new program for explicit No-Enforcement Action Agreements and its clarification of self-reporting under the OSC's credit for cooperation program. FAIR Canada agrees that market participants should have an incentive to self-police, self-report and self-correct matters that may involve a breach of Ontario securities laws or activities that would be considered contrary to the public interest. Cooperation provided by a market participant during an investigation or during litigation should, in certain circumstances, provide for a credit for that market participant. Such a program can aid in the investigation efforts of OSC staff, reduce time and costs, and enhance investor protection by allowing for more cases to come to light and receive enforcement sanctions, impose sanctions sooner, and improve compliance processes of market participants.
- 4.2. **FAIR Canada recommends that a required Key Element of a No-Enforcement Action Agreement should be not only that the party reporting disgorge any amount obtained as a result of their misconduct, but also that they provide restitution to any investors who are harmed as a result of their conduct.** It should not simply be the profits made that must be disgorged but if investors have suffered losses direct investor restitution should be an important aspect of any Agreement.
- 4.3. FAIR Canada supports efforts to clarify the process for self-reporting in order to facilitate more timely and more candid self-reporting and provide greater transparency and certainty.
- 4.4. FAIR Canada agrees that there should be enhanced public disclosure of credit granted for cooperation. We agree with the comments made by the Small Investor Protection Association that

...the public interest demands timely disclosure of these No Enforcement Action Agreements... We also believe there needs to be some oversight and review by the Commission of what OSC staff is doing/proposing to do... We think it essential that timely public disclosure of what is proposed to be done be given in advance of the implementation of any No-Action Agreement or No-Contest Settlement Agreement and Commission oversight and involvement be built into the respective programs in conjunction with adopting the proposed enforcement initiatives.⁸

5. FAIR Canada Recommends the OSC be Provided with the Ability to Order Financial Compensation to Aggrieved Investors

- 5.1. FAIR Canada supports the recommendation made by the Expert Panel on Securities Regulation that a securities regulator have the power to order compensation directly.
- 5.2. The OSC currently has the ability to apply to a court for a compensation order in favour of victims of financial losses but does not have the power to order restitution directly to investors. As recommended by the Standing Committee on Government Agencies⁹, the OSC should have the power to make restitution orders when there has been a violation of securities laws. In addition, such an initiative would align with its current Statement of Priorities for the Year to End March 31,

⁷ See A Report on A Decade of Financial Scandals: Fair Canada Calls for a National Action Plan to Tackle Investment Fraud, February 2011, at page 35. Available online at http://faircanada.ca/wp-content/uploads/2011/01/Financial-scandals-paper-SW-711-pm_Final-0222.pdf.

⁸ Submission by SIPA to OSC dated November 1, 2011 at page 4.

2012 which includes as one of its priorities “Work with the Ontario Government to explore a mechanism by which the OSC could award compensation to Ontario investors who suffer losses because of violations of the Securities Act (Ontario).”¹⁰

- 5.3. **FAIR Canada believes that an increased focus on victim compensation would further the OSC’s mandate to protect investors and foster confidence in the capital markets.** The use of such powers would decrease the need for wronged investors to seek access to the civil courts in order to enforce their rights and may lessen the need for a no-contest settlement program.

6. Need to Gather and Analyze Enforcement Data

- 6.1. **FAIR Canada believes that statistical information on the performance of the securities enforcement system in Canada is needed in order to provide the public with better transparency and accountability and in order that securities regulators, other enforcement agencies, and other bodies can determine more effective solutions to help enhance enforcement efforts.** While there is much commentary on enforcement inefficiencies and proposals for rationalization, there is no detailed research information provided as to the actual performance of the securities enforcement system.
- 6.2. As a first step in providing statistical information, we urge the OSC to publish data regarding its ability to collect settlement amounts, administrative penalties, and ordered disgorgement. This information is currently provided by the Alberta Securities Commission and the SROs. The OSC’s 2010 Enforcement Activity Report indicates that 74 proceedings concluded in 2010 - 72 before the Commission of which 34 were by contested hearings, and 38 by way of settlement agreement. The public should be able to assess what proportion of the fines imposed by way of settlement agreement or contested hearing was actually collected.

We thank you for the opportunity to provide our comments and views in this submission. We welcome its public posting and would be pleased to discuss this letter with you at your convenience. Feel free to contact Ermanno Pascutto at 416-572-2282/ ermanno.pascutto@faircanada.ca or Marian Passmore at 416-572-2728/ marian.passmore@faircanada.ca.

Sincerely,



Canadian Foundation for Advancement of Investor Rights
(FAIR Canada)

⁹ Ontario, Legislative Assembly Standing Committee on Government Agencies, “Report on Agencies, Boards and Commissions – Ontario Securities Commission”, Official Records of Debates (Hansard), available online at http://www.ontla.on.ca/committee-proceedings/committee-reports/files_pdf/OSC%20Report%20English.pdf.

¹⁰ See OSC Notice 11-753 (Revised) – Notice of Statement of Priorities for Financial Year to End March 31, 2012 at (2011) 34 OSCB 6694 and 6698.