

NEWS RELEASE

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IIROC announces discipline against Patrick Cooney and Jory Capital Inc.

November 22, 2010 (Calgary, AB) – A Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) has found that Jory Capital Inc. and Patrick Cooney, Jory’s Chief Executive Officer, President and sole director, violated IIROC Rules and the Universal Market Integrity Rules (UMIR) by failing, in the case of Mr. Cooney, to take measures to ensure the firm met compliance standards with regard to the monitoring of regulatory capital and the reliability of financial reporting; and in the case of Jory, by failing to maintain adequate risk adjusted capital.

The panel announced its findings in a [decision](#) dated November 12, 2010. The panel will meet at a future date to determine the appropriate penalty.

Specifically, the panel found that the following violations had been committed:

- Mr. Cooney failed to ensure that Jory design, establish, oversee and implement an effective financial compliance program to ensure proper compliance with regulatory requirements regarding maintenance of adequate risk adjusted capital (RAC), monitoring of regulatory capital and reliability of financial reporting, contrary to IIROC Rules [29](#) and [2600](#).
- Mr. Cooney failed to ensure that Jory establish, maintain, and enforce a supervisory system, contrary to Rule [38](#); and failed to ensure that Jory develop and implement a trade supervision policy, as required by UMIR [7.1](#).

- Mr. Cooney engaged in conduct unbecoming and detrimental to the public interest by failing to ensure that Jory fulfilled representations provided to IIROC, contrary to IIROC Rule [29.1](#).
- Jory failed to maintain its RAC greater than zero on January 24, 2008, during the months of June to October 2009 and again on April 14, 2010, all contrary to IIROC Rule [17.1](#).

IIROC formally initiated the investigation into Mr. Cooney's and Jory's conduct on September 28, 2009. The alleged violations occurred between 2005 and 2009 when Mr. Cooney was an Approved Person employed at the Winnipeg office of Jory, an IIROC-regulated firm. Mr. Cooney continues to be registered in the same capacity at the same office.

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IIROC investigates possible misconduct by its member firms and/or individual registrants. It can bring disciplinary proceedings which may result in penalties including fines, suspensions and permanent bans or terminations for individuals and firms.

All information about disciplinary proceedings relating to current and former member firms is available in the [Enforcement section](#) of the IIROC website. Background information regarding the qualifications and disciplinary history, if any, of advisors currently employed by IIROC-regulated firms is available free of charge through the [IIROC AdvisorReport](#) service. Information on how to make investment dealer, advisor or marketplace-related complaints is available by calling 1.877.442.4322.

IIROC is the national self-regulatory organization which oversees all investment dealers and trading activity on debt and equity marketplaces in Canada. Created in 2008 through the consolidation of the Investment Dealers Association of Canada and Market Regulation Services Inc., IIROC sets high quality regulatory and investment industry standards, protects investors and strengthens market integrity while maintaining efficient and competitive capital markets.

IIROC carries out its regulatory responsibilities through setting and enforcing rules regarding the proficiency, business and financial conduct of dealer firms and their registered employees and through setting and enforcing market integrity rules regarding trading activity on Canadian equity marketplaces.