

**IN THE MATTER OF:**

**THE INVESTMENT DEALER AND PARTIALLY CONSOLIDATED RULES AND  
THE DEALER MEMBER RULES**

**AND**

**DARREN CLAYTON CARRIGAN**

**AMENDED NOTICE OF MOTION**

**NOTICE** is hereby given that a motion will be brought before a Hearing Panel (the "**Hearing Panel**") of the Canadian Investment Regulatory Organization ("**CIRO**"), commencing on ~~June 18,~~ August 22, 2024 at 10:00 AM, or as soon thereafter as the motion can be heard.

**NOTICE** is further given that it is proposed that the motion be conducted as a virtual oral hearing.

**THE MOTION IS FOR:**

- (a) Consent of the Hearing Panel to bring the herein motion, if necessary;
- (b) An Order permanently staying the investigation and proceeding commenced by CIRO against Darren Clayton Carrigan in its entirety;
- (c) In the alternative to (b), such relief as may arise as a result of certain breaches of natural justice;
- (d) In the further alternative, an Order mandating that the proceeding continue to a full hearing on the merits on an expedited basis, no later than August 30, 2024;
- (e) Such further and other Relief as to this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE**

Background

- (f) Mr. Carrigan has been registered as a Dealing Representative/Registered Representative ("**Dealing Representative**") with the Investment Industry Regulatory Organization of Canada ("**IIROC**"), and subsequently the Canadian Investment Regulatory Organization ("**CIRO**"), since ~~2007~~ 2008;

- (g) Mr. Carrigan was a Dealing Representative at Dominick Capital Corporation (“**Dominick**”) from 2016 to 2019. Mr. Carrigan was then an investment advisor at Gravitas Securities Inc. (“**Gravitas**”) from 2019 to 2023;

#### The IIROC/CIRO Complaint and Subsequent Investigation

- (h) On November 20, 2020, Mr. Carrigan was sent a complaint made to IIROC from Mr. Manny Kang (the “**Complaint**”);
- (i) On April 22, 2021 Mr. Carrigan received a letter from IIROC’s Enforcement Department (the “**Investigation Letter**”). The Investigation Letter advised Mr. Carrigan that the Enforcement Department had opened an investigation into his conduct which occurred while he was employed with Gravitas and Dominick Capital Corporation (the “**Investigation**”);
- (j) On May 25, 2021, Registration Staff recommended to an Ontario District Council Registration Subcommittee (the “**Registration Subcommittee**”) that, in light of the Enforcement Investigation, numerous terms and conditions be imposed upon Mr. Carrigan’s registration (the “**Terms and Conditions**”);
- (k) The Registration Subcommittee released the Subcommittee Decision on July 14, 2021 (the “**Subcommittee Decision**”), which accepted the Registration Staff’s submissions, including placing Mr. Carrigan on modified Strict Supervision and requiring him to submit monthly modified Strict Supervision Reports. These terms were disproportionately severe, and caused Mr. Carrigan mounting harm;
- (l) On July 30<sup>th</sup>, 2021, Mr. Carrigan commenced a Request for Review of the Subcommittee Decision;
- (m) Based on discussions with representatives of IIROC, which occurred in response to his commencement of a Request for Review, Mr. Carrigan was made aware that the Investigation was close to being completed, and that moving forward with the Request for Review was not necessary and would simply make the process lengthier;
- (n) In reliance on the assurance that the investigation was “at the one-yard line”, Mr. Carrigan withdrew his Request for Review on August 26, 2021.

#### Further Delays and Prejudice

- (o) In October of 2022, despite assurances from IIROC that the investigation was nearly at a close more than a year prior, Mr. Carrigan was still under investigation and on modified Strict Supervision;
- (p) As a result of the mounting prejudice he suffered, Mr. Carrigan was forced to commence a further Request for Review of the Subcommittee decision (the “**Second Request for Review**”);
- (q) Prior to the Second Request for Review hearing, IIROC recommended that Mr. Carrigan be moved from Modified Strict Supervision to Close Supervision. This was effective November 14, 2022, and as a result, Mr. Carrigan withdrew his Second Request for Review;
- (r) More than a year passed without further contact from IIROC/CIRO to Mr. Carrigan regarding the investigation;
- (s) In January of 2023, Mr. Carrigan departed Gravitas and commenced employment at Vector Financial Services Ltd. (“**Vector**”), a firm which is registered as an Investment Dealer by the Ontario Securities Commission. Accordingly, Vector required Mr. Carrigan to be registered as an individual by the OSC. Mr. Carrigan left his employment at Vector in late ~~early~~ 2023<sup>4</sup> because he had yet to receive OSC registration. The OSC was delayed in registering Mr. Carrigan due to concerns flowing from the Investigation;
- (t) Most recently, Mr. Carrigan worked at PI Financial Corp. (“**PI**”) for a period of under three months, up until his termination in April of 2024 due to ongoing issues and/or delays with his CIRO registration;
- (u) On January 5, 2024, CIRO contacted Mr. Carrigan to provide the Staff’s Initial Prosecution Letter. At this time, Mr. Carrigan was transitioning to ~~a new employer~~, PI Financial;
- (v) PI Financial was not able to register Mr. Carrigan as a Registered Representative with CIRO due to the herein investigation and proceedings, and subsequently terminated his employment in April of 2024;
- (w) Mr. Carrigan is now unemployed and is effectively barred from gaining new employment due to the prejudice and stigma reflecting on him from this ongoing proceeding, and his inability to become a Registered Representative of CIRO at a new Dealer Member.

Abuse of Process

- (x) Throughout its handling of the complaint against Mr. Carrigan, CIRO has caused excessive delay that was the direct and real source of substantial prejudice to Mr. Carrigan, concluding in his severely diminished reputation and subsequent unemployment;
- (y) CIRO's conduct in advancing this proceeding has brought their administrative process into disrepute;
- (z) The unreasonable delay caused by CIRO has resulted in an abuse of process;

Breach of Natural Justice

- (aa) The excessive delays in this proceeding are contrary to the rules of natural justice;
- (bb) Rule 8412 and 8413 of the *Rules of Practice and Procedure*; and
- (cc) Such further and other grounds as counsel may advise and this Hearing Panel may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the Motion:

- (dd) Affidavit of Darren Carrigan, ~~to be sworn July 5, 2024;~~ and
- (ee) Such further and other evidence as the lawyers may advise and this Honourable Panel may permit.

May 29, 2024  
July 5, 2024

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Applicant