

# OSGOODE INVESTOR PROTECTION CLINIC

NEWSLETTER | Winter 2021

OSGOODE  
OSGOODE HALL LAW SCHOOL

YORK U

## OUR BUSINESS AND LEARNING MODEL, TRANSFORMED

### A message from IPC's co-directors

It's impossible to ignore the fall-out from a global pandemic that has resulted in millions of deaths, countless job losses and business closures, and economic uncertainty worldwide. At Osgoode's Investor Protection Clinic, COVID-19 has transformed the way we do business, both as a service provider supporting Canada's vulnerable investors and as a practical educator of next-generation lawyers.

We all watched the COVID-19 pandemic trigger panic, uncertainty and losses across multiple areas of society, and Canada's capital markets are no exception. For some retail investors, increasingly volatile stock markets have brought to light gaping holes in their investment strategy — risky stocks, mishandled portfolios and untrustworthy advisers among them.

A growing number of these vulnerable investors are now calling Osgoode's IPC for help.

In our "[What's trending](#)" story, you can read about the innovative ways that we're responding to increasing demand — and endeavouring to curb the losses before they even happen.

When clients do knock on our virtual door, our medium of response has also changed. Like countless other service businesses, we've gone 100% virtual, supporting all our clients by videoconferencing and telephone.

The challenges to this approach — many of our clients are seniors and unfamiliar with videoconferencing technology, and it can sometimes take longer to tease out the relevant information in online intake interviews — are outweighed by the many positives. Our team has found that once you onboard clients and get them used to the Zoom software, it's much easier to connect with them on a regular basis. Virtual support has also erased the barriers of distance; we're now serving vulnerable investors in the farthest corners of the province and even across Canada. When COVID-19 is history, we hope to continue this model of outreach to benefit even more Canadian investors in need.

Our students have also risen to the challenge of virtual learning. And we're grateful to our many supervising lawyers, industry partners and law firm colleagues who have mentored our student caseworkers and delivered online presentations on important legal issues over the last year.

As we begin 2021, we will continue to think innovatively, broaden our reach and fill a critical gap in the investor protection landscape.

Thank you for your continuing support.



Poonam Puri  
Founding Academic Director



Brigitte Catellier  
Co-Director

## WHAT'S TRENDING?

# THE PERFECT STORM FOR INVESTMENT LOSSES

## Osgoode's IPC is responding with a retail investor guide to help prevent scams, frauds and improper investment advice during COVID-19

The global pandemic has created a perfect storm of market volatility and isolation that has led to a significant increase in the number of potentially fraudulent cases seen by Osgoode's Investor Protection Clinic.

"As early as last summer, we saw an increase in new complaints from investors who saw their investments decline and not recover with the market. Many had a long-term relationship with an adviser they thought they trusted, so they'd never been in the situation of questioning whether or not their investment products were suitable," explains Cameron Teschuk, a third year Osgoode student and IPC caseworker, who is slated to join New York City's Sullivan & Cromwell LLP this spring as an associate.

At the same time, COVID-19 has left many investors isolated and cut off from their trusted sources of advice — family members, friends, even their local banks or brokerage managers. "Historically, if a client had a question or concern about an adviser, they could make an appointment at the branch and talk to a senior manager. Now, because of quarantining orders, clients are saying they haven't been able to get answers and they don't know where to turn," says Teschuk.

Osgoode's Investor Protection Clinic is assisting an increasing number of clients in these situations. Between April and December, the number of intake interviews totalled 41 compared to 13 during the same period in 2019. Each of the 12 student caseworkers has been managing two or three active files.

"Our team has been working very hard to take on extra files and respond to the increasing number of retail investor concerns throughout COVID-19," says founding academic director Poonam Puri. Everyone who brings forward a complaint receives an intake interview.

"We are filling the gap and helping vulnerable investors recoup their losses," says Puri.

And now she and her team are also taking steps to help curb those losses before they even happen.

In November, Osgoode's IPC released a guide for retail investors who have experienced investment portfolio volatility in the wake of the global pandemic.

[\*The Retail Investors Guide to COVID-19\*](#) provides a list of do's and don'ts for retail investors, and highlights common scams related to COVID-19, including get rich quick schemes and investment products marketed as "higher returns with no extra risk."

While regulatory agencies, including the Ontario Securities Commission and the Investment Industry Regulatory Organization of Canada, also communicate much of this information, this guide is specific to retail investors.

"By sharing practical advice, we hope to prevent further losses," says Teschuk. "But we also want investors to know that we're here to help if they've fallen victim to a scam, fraud or improper investment advice before or during the COVID-19 pandemic.

"The sooner they reach out to us, the better."



Cameron Teschuk

### Do's and Don'ts for Retail Investors During COVID-19

- **DO** talk to a registered investor adviser about how the pandemic has impacted your investment portfolio.
- **DON'T** panic and liquidate your entire investment portfolio.
- **DO** be patient as the market goes through ups and downs.
- **DON'T** try to time the market.
- **DO** maintain a balanced investment strategy in line with your personal risk tolerance.
- **DON'T** seek out high-risk alternative investment products in pursuit of higher returns.
- **DO** be wary of investment products that are "too good to be true."
- **DON'T** trust online sources purporting to offer free services or requesting personal information.
- **DO** verify that your investment adviser works for a regulated investment firm.

For further details about best practices for retail investors responding to investment portfolio volatility caused by COVID-19, visit [\*The Retail Investors Guide to COVID-19\*](#).

---

## **GIVING BACK YIELDS BIG RETURNS**

### **IPC supervising lawyer Alistair Crawley is mentoring students and helping retail investors resolve disputes**

When it comes to resolving disputes involving investment losses, Alistair Crawley says there are two organizations clients should have in their corner: the Ombudsman for Banking Services and Investments (OBSI) and Osgoode's Investor Protection Clinic (IPC).

Independent, impartial and free, OBSI is often the first line of defence for Canadians who have suffered an investment loss as a result of someone else's wrongdoing, but don't have the funds to hire a lawyer and pursue litigation.

"OBSI goes part of the way to filling the gap," says Crawley, founding partner at Crawley MacKewn Brush LLP in Toronto.

***"It doesn't cost clients anything, which is great, but it's still hard to navigate the dispute resolution process without legal assistance. Those who have lost funds are likely to have better outcomes if they have guidance and advice."***

That, he says, is where Osgoode's IPC comes in. Guided by supervising lawyers like Crawley, the clinic's student caseworkers help retail investors navigate the OBSI complaint process, among other services.

"The two organizations dovetail really well," he says.

In fact, that's one of the reasons Crawley agreed to volunteer at the clinic shortly after its opening in 2016. The litigator behind some of Canada's most significant securities law cases, he has helped IPC clients resolve their complaints without recourse to the courts, while at the same time enhancing the education of tomorrow's lawyers. "The OBSI dispute resolution process is one way students can work on a sustained case with clinic clients before they complete their studies and are called to the bar," he explains.



*Alistair Crawley*

In his four-plus years at IPC, Crawley has supervised six files, a number of which have involved OBSI. Several of his colleagues at Crawley MacKewn Brush LLP also volunteer as their schedules permit. All told, the firm has overseen a total of 11 files.

"For lawyers who are really busy and daunted about getting involved, this is really something quite achievable," Crawley says. "For a relatively limited time commitment, there's potential to add a lot of value by assisting the clinic, its clients and the students."

---

Lawyers interested in volunteering with Osgoode's Investor Protection Clinic can contact the clinic at [ipc@osgoode.yorku.ca](mailto:ipc@osgoode.yorku.ca) or 416-736-5538

---

## THE IDEAL TRAINING GROUND

### Blakes associates Jory Binder and Gabrielle Wright learned how to be lawyers at Osgoode's IPC

Before joining the corporate and commercial law division at Blake, Cassels & Graydon LLP, Jory Binder, JD'18, and Gabrielle Wright, JD/MBA'19, say they gained valuable experience at Osgoode's Investor Protection Clinic (IPC).

"I wanted to open my mind to business law, but I didn't really know what business law meant," Binder says of her first year at Osgoode Hall Law School. She landed a research assistant position with Poonam Puri and spent the next year helping the professor prepare to launch Canada's first free legal service for vulnerable retail investors. When the clinic doors opened, Binder began supporting clients as a student caseworker under the direction of supervising lawyers from top Toronto law firms.

That's when she realized she was practicing the very skills she thought she knew nothing about.

***"I was meeting clients for intake interviews and drafting statements of claim and complaint letters and all of a sudden I was 10 steps away from where I ever thought I could be and throwing around words like 'capital markets,' 'RRSP' and 'capital gains' without a second thought."***

Binder says the year she spent at IPC taught her many of the skills she now employs as a second-year associate at Blakes, including how to extract the pertinent facts, develop a clear plan of action, communicate effectively with clients and deliver practical legal advice.



Jory Binder

Gabrielle Wright

Wright applied to the Investor Protection Clinic after test-driving multiple other Osgoode clinics and failing to find the right fit. "This was the first clinic that married corporate law with a social justice angle, something that was really important to me," says the former registered nurse.

What she didn't realize until joining Blakes was how closely the clinic mirrors practice. "Law practice in a larger firm is actually quite collaborative. I work with my associates and partners in the same way that I worked with a team of students and supervising lawyers at IPC," she says. "It was the ideal training ground" — with one, surprising added benefit.

"I never actually worked on a file that required me to meet with my supervising lawyer in person. It was great preparation for the reality of legal work during a global pandemic," Wright laughs.