



OSGOODE INVESTOR PROTECTION CLINIC and LIVING LAB

2023 ANNUAL REPORT

ABOUT US

OUR PURPOSE

Osgoode’s Investor Protection Clinic and Living Lab (“IPC”), the first of its kind in Canada, provides pro-bono legal services to people who believe their investments were mishandled and cannot afford a lawyer. The IPC was founded by Osgoode Hall Law School in collaboration with FAIR Canada, a non-profit organization that champions the rights of individual investors in Canada through advocacy, education, and regulatory advancements.

The IPC has received seed and other funding from the Law Foundation of Ontario, two cy-prés awards, the Ontario Securities Commission (OSC), the Investment Industry Regulatory Organization of Canada (IIROC) and the Mutual Fund Dealers Association (MFDA) (now merged as the Canadian Investment Regulatory Organization (CIRO)). The IPC also receives support from Osgoode alumni and in-kind contributions from our pro-bono partner law firms and experts. The IPC is grateful to these organizations and individuals for their generous support.

The IPC has three primary purposes:

LEGAL SERVICES

Provide legal advice to people who believe they have suffered an investment loss because of someone else’s wrongdoing or negligence.

RESEARCH

Act as a “Living Lab,” collecting and analyzing research data in an anonymized way to inform public policy.

EDUCATION AND ENGAGEMENT

Develop investor education initiatives and educational resources through community outreach.

OUR PEOPLE

The IPC is managed by Osgoode Professor Poonam Puri, Osgoode Adjunct Faculty Member Brigitte Catellier, Assistant Director Fred Maefs, and Administrative Coordinator Ruby Soriano.



Poonam Puri

Professor Puri is a full professor at Osgoode and founding academic director of the IPC.



Brigitte Catellier

Professor Catellier is an adjunct faculty member at Osgoode and associate director of the IPC.



Fred Maefs

Mr. Maefs is the assistant director and in-house staff lawyer of the IPC*.



Ruby Soriano

Ms. Soriano is the administrative coordinator of the IPC.

**Mr. Maefs retired from his position on August 31, 2023. We thank him for his dedication to the IPC.*

Student Caseworkers

In 2022-2023, the IPC was staffed by 13 student caseworkers. The students were supervised internally or paired with supervising lawyers from our pro-bono partner law firms, and each was assigned several client files. Students conducted initial intake interviews with potential clients, then provided a written memorandum outlining the merits of the file. If the IPC was able to take on a file, students drafted and filed the necessary documents to pursue the clients' complaints or claims. The students also worked on the IPC's existing files, which are at a variety of stages, and participated in community outreach events focused on investor education, including organizing the IPC conference, "Access to Justice and Fair Outcomes for Harmed Investors".

Student caseworkers at the IPC are also researchers in the Living Lab*, and as such analyze issues including: the demographics of who is harmed, what legal recourse may be possible, whether such legal recourse was successful, and what changes to the legal framework might be required to better protect harmed investors.

Pro-Bono Partner Law Firms

The IPC is grateful for the longstanding pro-bono involvement of a number of leading law firms including:

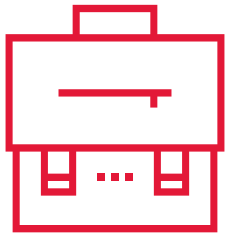


Referrals

In 2022-2023, the IPC received 11 referrals from industry stakeholders, including the CIRO and the OSC, as well as from our pro-bono partner law firms. These referrals helped us further our mission in assisting harmed investors.

** Participants in the Living Lab research provide informed consent to our collection and use of information from the intake process until the file's closure unless they choose to withdraw their consent, which they can do anytime. A Clinic client's refusal to consent or withdrawal of consent to participate in the Living Lab research does not impact their ability to receive pro-bono legal assistance from the IPC.*

2022-2023 AT A GLANCE



LEGAL SERVICES

From May 1, 2022, to April 30, 2023, the IPC received a total of 69 inquiries, of which:

- 45 intake interviews were conducted.
- 15 new files were opened with 7 closed by April 30, 2023.
- 8 demand letters, 3 complaint letters, 2 Ombudsman for Banking Services and Investments (OBSI) complaints, 2 negotiated settlements, and 1 Small Claims Court action.

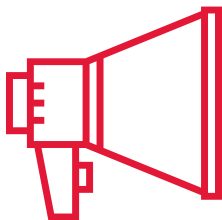


RESEARCH

Key data points from the 45 intake interviews:

- 21 (47%) involved clients 50 years of age or older,
- 17 (38%) involved unsuitable advice by registered representatives,
- 14 (31%) involved fraud or scam, and
- 9 (20%) involved do-it-yourself (DIY) investors.

The Living Lab is collecting and analyzing this and other data for research purposes.



EDUCATION AND ENGAGEMENT

- The IPC hosted the “Access to Justice and Fair Outcomes for Harmed Investors” conference (September 8, 2022).
- Professor Catellier presented at Prosper Canada’s “Investing with Confidence for Financially Vulnerable Canadians” webinar (October 18, 2022).
- Professor Puri presented at Laval University – Symposium on Investor Protection (October 28, 2022).
- Professor Puri presented at University of Toronto’s “Regulatory Enforcement at the Ontario Securities Commission” faculty workshop (November 24, 2022).
- Professor Puri presented at Rotman School of Management’s “Canadian Crypto Regulation: Right Approach? What’s Next?” event (December 16, 2022).
- Professor Catellier and student caseworker Adam Dickinson presented at the OSC Investor Advisory Panel (IAP) meeting (March 30, 2023).
- Assistant Director Fred Maefs, student caseworker Aya Fahmi, and coordinator Ruby Soriano presented to the OSC Enforcement Branch (April 6, 2023).

LEGAL SERVICES

The IPC continues to lead the way in providing pro-bono legal services and advice to Canadians who believe their investments were mishandled and who cannot afford a lawyer. From 69 client inquiries in 2022-2023, we achieved several milestones, including two IPC firsts, which each impacted lives and advanced the conversation about access to justice for retail investors.

OEO CASE RAISES ALARMS

When a 24-year-old investor hit “purchase” on \$500 worth of GameStop shares through his bank’s order execution only (OEO) platform, he had no idea that he was using options trading. “He was margined to the moon,” explains Adam Dickinson, the IPC student caseworker on the file, “and lost everything without even realizing he was doing it.”

The purchase resulted in a \$28,000 debt – a devastating loss for a new university graduate with a credit card limit of just \$5,000.

Guided by supervising lawyer Liz McLellan of Crawley MacKewn Brush LLP, Dickinson initiated negotiations with the bank. The two parties ultimately reached a settlement agreement of \$15,000, releasing the client of nearly half of his total debt.

“We have a role to play in educating investors and leveraging our front-line experiences to help inform public policy.”

— Poonam Puri, academic director

FIRST IIROC ARBITRATION FILE

In another IPC first, student caseworkers and supervising lawyer Anthony O’Brien of Siskinds LLP successfully negotiated a financial settlement for an investor using the Investment Industry Regulatory Organization of Canada (IIROC) arbitration program.

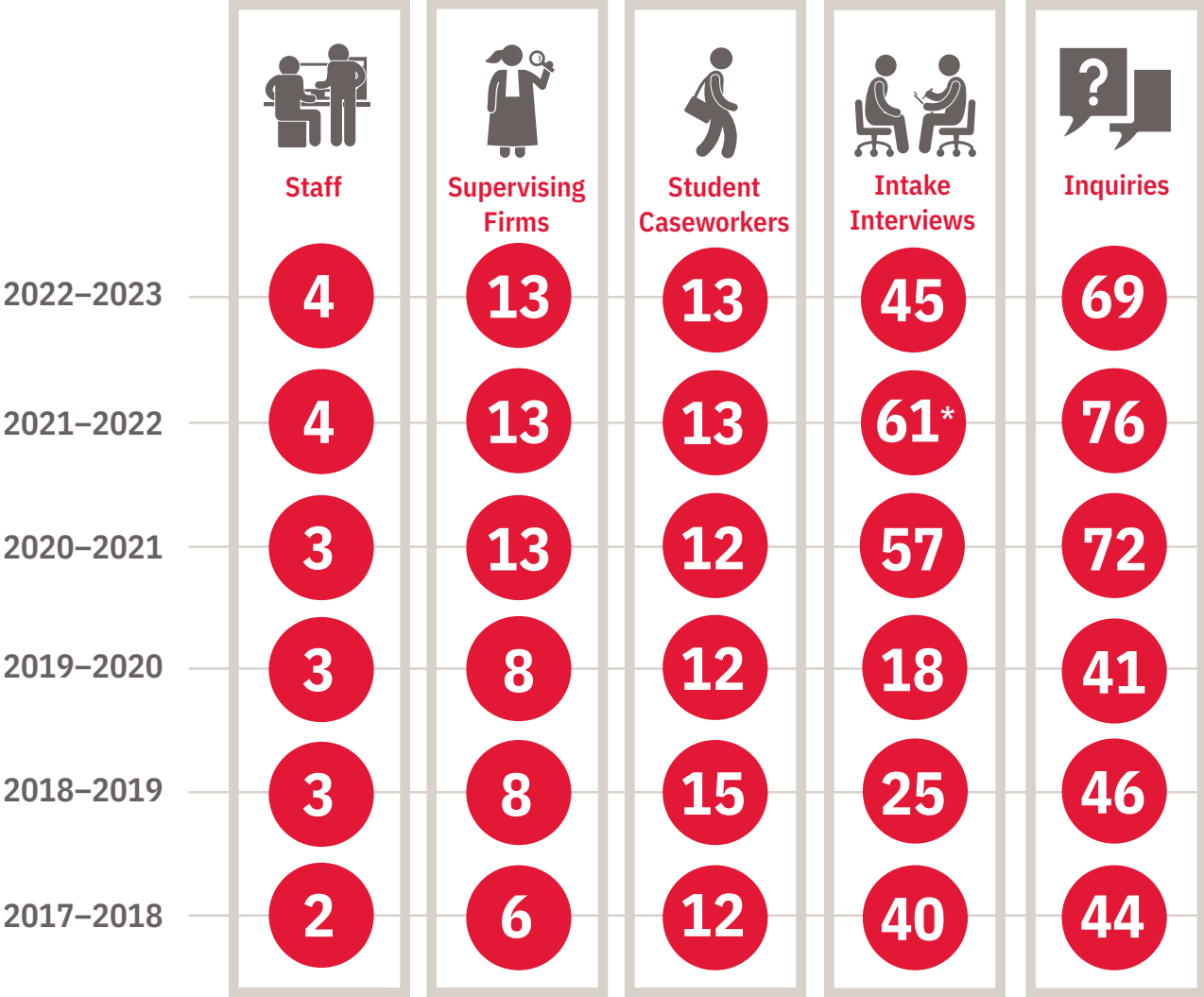
The client, who had experienced a major loss and had nowhere else to turn, filed a complaint with IIROC. She was introduced to the IPC for free help and advice on how to navigate the arbitration process.

“This was an amazing opportunity to develop our relationship with the IPC and to teach the students about IIROC, regulation of the investment industry and arbitration,” says Tatsiana Okun, IIROC’s associate general counsel, litigation.

“From the bottom of my heart, I would like to say thank you all for your great help.”

— An IPC client

OUR WORK



*A data discrepancy in the number of Intake Interviews conducted during 2021-2022 has been corrected from the previous count of 71 to 61.

Factors Considered in Selecting Files:

- Merits of an applicant’s complaint
- Whether a complaint fell within the scope of the IPC’s mandate
- Financial needs of an applicant
- Adequate evidence and recordkeeping of communication
- Expiry of the limitation period
- Learning opportunity for the student caseworkers
- IPC capacity

File Work Included:

- Submitting complaints to regulators and law enforcement
- Preparing demand letters to investment firms and other opposing parties
- Submitting complaints to the OBSI
- Pursuing civil claims
- Assisting with settlements
- Determining the standard of care required for recommending an investment
- Educating clients on various complaint processes
- Investigating potential avenues for dispute resolution including alternatives to civil litigation

RESEARCH

The IPC is a “living research lab,” providing important data and evidence of trends to help inform public policy debates. Two trends dominated our work throughout 2022-2023. We have taken bold steps to raise a red flag on both challenges and develop practical tools to better protect investors.

DIY INVESTOR COMPLAINTS ON THE RISE

Since 2020, the IPC student caseworkers have assessed 26 complaints involving DIY trading. Experts attribute the increase to the COVID-19 pandemic, which left many Canadians looking for somewhere to redirect their savings. According to Investor Economics, Canadians opened more than 2.3 million new DIY accounts in 2020 and another 3.6 million in 2021 – up from 856,000 in 2019.

The trend prompted a robust discussion at the investor protection conference hosted by the IPC in September 2022 (see page 11). Speakers debated whether OEO platforms should be regulated or include a warning system tied to certain products.

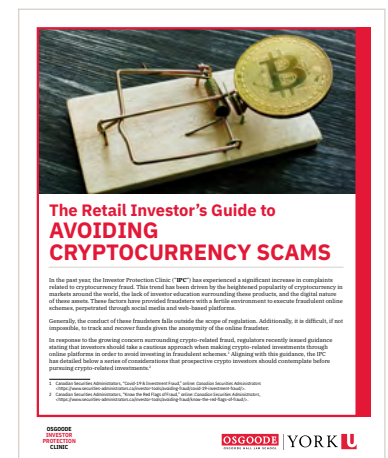
It has also inspired the IPC team to explore the role we might play in educating DIY investors about their legal rights and responsibilities.

BIG BETS, BIGGER LOSSES FROM CRYPTO

Over the two years ending in April 2023, 17 per cent of the 106 intake interviews conducted by the IPC involved cryptocurrency scams where investors suffered significant losses at the hands of purported bitcoin advisers who disappeared without a trace.

“In these situations, it’s all but impossible to recoup the client’s money. We can’t serve them with a statement of claim if we don’t know who they really are or where they are located,” explains Poonam Puri, the IPC’s academic director.

The IPC works closely with the OSC, which offers a list of registered crypto asset trading platforms, and with the RCMP’s fraud division. The student caseworkers also published a 2022 publication entitled [“The Retail Investor’s Guide to Avoiding Cryptocurrency Scams.”](#)



DEMOGRAPHICS OF 2022-2023 CLIENTS

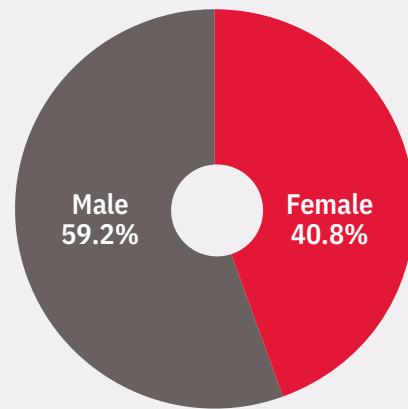
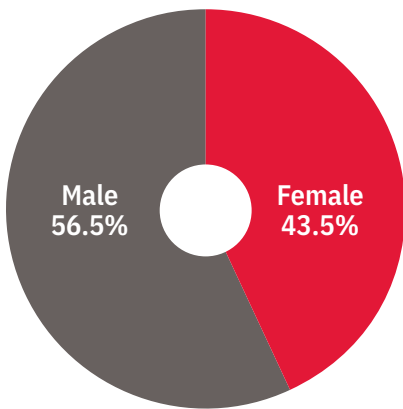
2022- 2023 clients were diverse in gender, age, cultural background, occupation, and financial knowledge.

(May 1, 2022 to April 30, 2023)

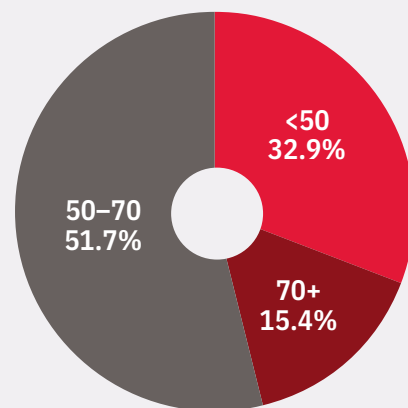
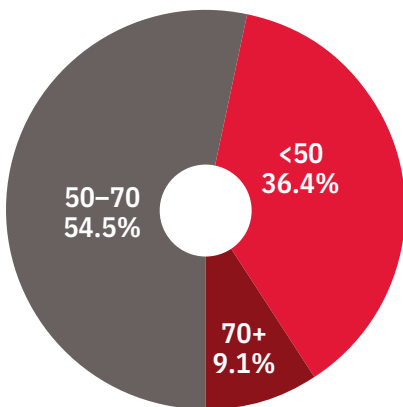
DEMOGRAPHICS OF ALL CLIENTS TO DATE

The 2022-2023 demographic data is consistent with the overall client profile of the IPC during its six years of operation.

Gender



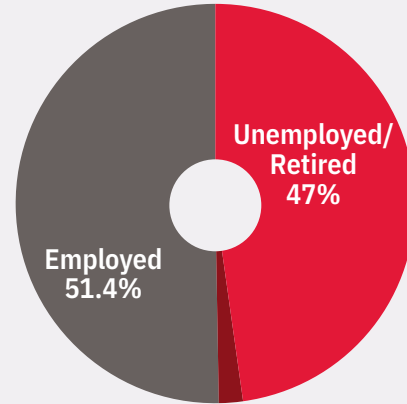
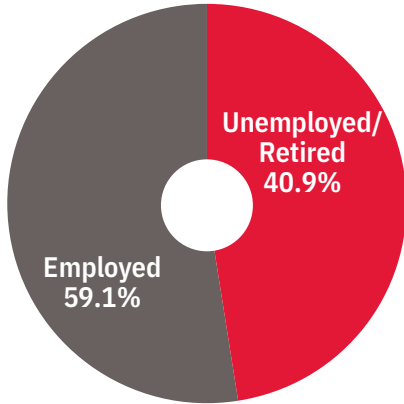
Age



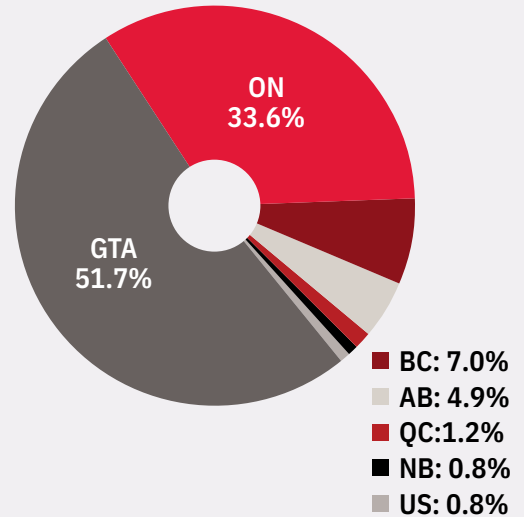
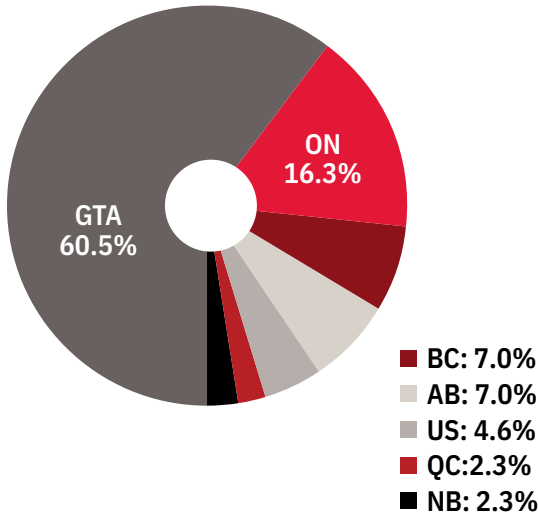
DEMOGRAPHICS OF 2022-2023 CLIENTS

DEMOGRAPHICS OF ALL CLIENTS TO DATE

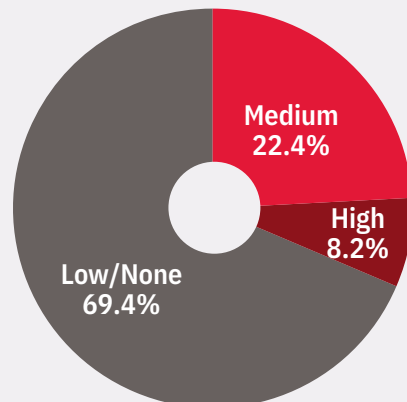
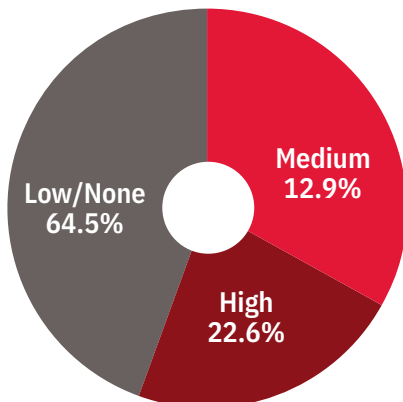
Employment Status



Geography



Investment Knowledge



NUMBER OF INQUIRIES RECEIVED BY COMPLAINT TYPE

(May 1, 2022 to April 30, 2023)



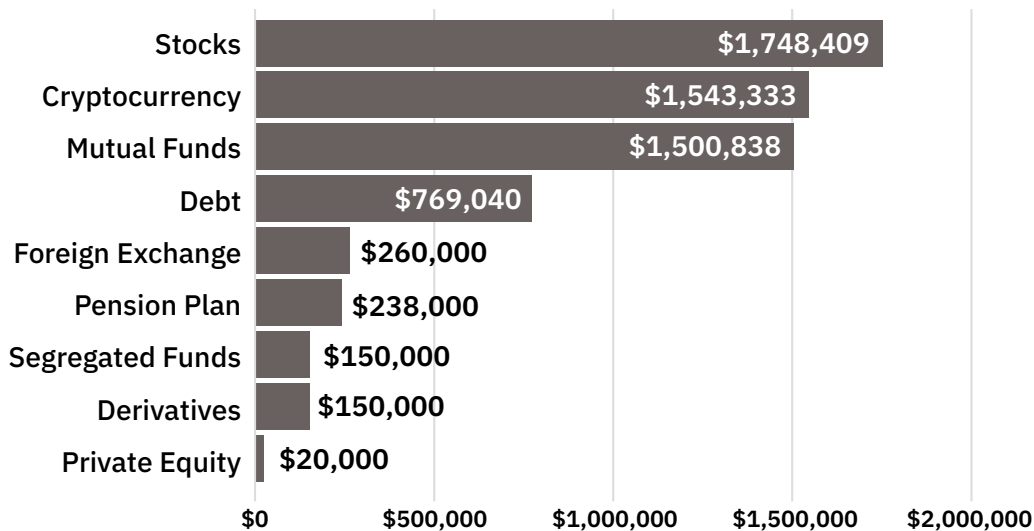
NUMBER OF INQUIRIES RECEIVED BY INVESTMENT PRODUCT TYPE

(May 1, 2022 to April 30, 2023)



LOSSES REPORTED BY INVESTMENT PRODUCT

(May 1, 2022 to April 30, 2023)



EDUCATION AND ENGAGEMENT

From hosting our first national conference to sharing our front-line perspectives on the future of the IIROC Arbitration Program, the IPC has taken a bold stance on access to justice and fair outcomes for retail investors across Canada.

FIVE-YEAR ANNIVERSARY CONFERENCE

Nearly 100 lawyers, investment advisors, investor advocates, regulators, academics, and the IPC student caseworkers and alumni attended the IPC’s five-year anniversary conference, “Access to Justice and Fair Outcomes for Harmed Investors,” on September 8, 2022, at the Osgoode Professional Development Centre in Toronto.



IPC’s five-year anniversary conference attracted close to 100 stakeholders and fueled the conversation on retail investor protection.

The full-day event featured a keynote panel with Grant Vingoe, the OSC’s chief executive officer; Andrew Kriegler, the CIRO’s chief executive officer; and Stan Magidson, chair and chief executive officer of the Alberta Securities Commission and chair of the Canadian Securities Administrators. The conference also included four panel discussions about the gaps in access to justice for harmed investors seeking recovery.

We thank our esteemed presenters, panelists, and many engaged participants whose questions helped to move the needle on key issues.

GIVING IPC CLIENTS A VOICE

The IPC student caseworkers shared their unique front-line perspectives on the future of IIROC’s nearly 30-year-old arbitration program. Stakeholders were invited to comment on the recommendations of a working group just as IIROC and MFDA merged to form the CIRO.

“This was our opportunity to give our clients a voice in the process and urge the CIRO to overhaul the arbitration program and adopt transformational changes,” says Raha Khatib, one of the student caseworkers who drafted the IPC submission.

Among their recommendations, the student caseworkers suggested that the CIRO streamline the resolution process, introduce costs proportionate to the size of the claim and partner with law school legal clinics to support retail investors who can’t afford a lawyer. The IPC is one of the only legal stakeholders to have used both the IIROC adjudication and the OBSI investigation services to ensure access to justice for clients.

“A new enhanced arbitration program would, in essence, represent a unique avenue for a greater number of retail investors who seek adjudication of their claim.”

— excerpt from the IPC’s comment letter to the CIRO working group.



PUBLICATIONS

To help retail investors navigate the complex process of initiating a legal claim against an investment advisor or an institution, the IPC student caseworkers unveiled a new investor education resource entitled “[When Should You Complain? A Guide on Limitation Periods.](#)”

The IPC student caseworkers also published a resource titled “[The Retail Investor’s Guide to Avoiding Cryptocurrency Scams](#)” to address cryptocurrency scams.



MEDIA

- “Osgoode’s Investor Protection Clinic to host conference on access to justice for harmed investors”, Law Times, September 6, 2022.
- “Regulators face pressure to review discount brokerage rules as DIY investors turn to social-media posts for advice”, The Globe and Mail, September 13, 2022.
- “Arbitration program overhaul supported by investors and industry”, Investment Executive, April 11, 2023.



PRESENTATIONS

The IPC team was at the forefront of the national conversation on retail investor protection as featured speakers and presenters at several events throughout 2022-2023, including:

- Prosper Canada’s “Investing with Confidence for Financially Vulnerable Canadians” webinar, October 18, 2022.
- Laval University’s Symposium on Investor Protection, October 28, 2022.
- University of Toronto’s “Regulatory Enforcement at the Ontario Securities Commission” faculty workshop, November 24, 2022.
- Rotman School of Management’s “Canadian Crypto Regulation: Right Approach? What’s Next?” event, December 16, 2022.
- OSC’s IAP meeting, March 30, 2023.
- OSC Enforcement Branch meeting, April 6, 2023.



AWARDS

The IPC directors, Poonam Puri and Brigitte Catellier, were each recognized for their impact and innovation in Canada’s governance sector. Professor Puri received the Peter Dey Governance Achievement Award and Professor Catellier was named Governance Professional of the Year by the Governance Professionals of Canada.

SOCIAL MEDIA

The IPC student caseworkers are responsible for operating our social media accounts. You can find us on the following platforms:

FOLLOW US ON:



X: @OsgoodeIPC



LinkedIn: Osgoode-IPC



Visit our website



Subscribe to our newsletter

IPC STUDENTS AND ALUMNI

BENNETT JONES INVESTOR PROTECTION CLINIC AWARD



Bennett Jones

Since 2021, internationally recognized Canadian law firm Bennett Jones LLP has supported an annual award to recognize an outstanding student caseworker in the IPC. The IPC thanks Bennett Jones for their generosity.

“Going back to school, I wasn’t sure where I wanted to take my legal career or if I even had what it takes to juggle so many competing demands. This tells me my work is valued and gives me the confidence to continue my legal journey.”



– 2022 award winner Vivian Lao

“I spent nine years as a senior financial advisor at a bank before joining Osgoode and the IPC. Having this opportunity to help vulnerable investors is a full circle moment that was made all the more gratifying by Bennett Jones’ recognition.”



– 2023 award winner Asif Zalfackruddin

STUDENT CASEWORKERS

Year 6 (2022–2023):



Adam Dickinson*



Andrew Neayem



Aniket Kumar



Asif
Zalfackruddin



Aya Fahmi



Calvin Horsten



Cedric Kim*



Chia-Wei Hu



Disha Mittal



Jenny Peng*



Michelle Nkansah



Muhammad
Hashmi*



Raha
Khatibshahidi

*IPC 2022 summer caseworker

STUDENT CASEWORKERS

Year 7 (2023–2024):

In 2023, a record-setting 77 applications were received by the IPC from students who were looking to join in September.



Abilash
Sathyakumar



Aishath (Azka)
Anees



Alexander
Qanbery



Angelie
Vivekanand



Ayisha Malik



Diana Damiani*



Emma Kirwin*



Jialin Zheng*



Josephine Hu



Mathieu
Hergett-Rozier*



Muzammil Chatha



Zane Nasir

*IPC 2023 summer caseworker

Student Testimonials

Adam (2022-2023 caseworker):

The IPC has been one of the highlights of law school to date. It was a terrific introduction to the securities industry and provided an opportunity to think about the law from a multitude of perspectives. Through the IPC, I also had the chance to be mentored by terrific legal practitioners and clinical directors. The IPC allowed me to advocate for clients by negotiating with a large institutional bank and preparing a file for the Small Claims Court. These experiences and the relationships I built through the IPC will be foundational as I continue my career in law.

Calvin (2022-2023 caseworker):

My time as a student caseworker provided me with valuable insights into the various challenges faced by retail investors. Fraud and mismanagement are not uncommon, and investors must exercise diligence when selecting a person to assist with the management of their savings. On the other hand, recovery of lost assets can be a bumpy road for clients and their lawyers. Enforcement processes take time and clients must be resilient to the loss of value to their investment portfolio.

Jenny (2022-2023 caseworker):

The IPC provided me with a unique opportunity to work with real clients on matters affecting their interests. I was able to help fill a gap in the investor protection space by working with individuals who would otherwise not be able to afford a lawyer with their claim amounts. The IPC allowed me to manage my own client files, gain exposure to different dispute resolution processes, and contribute to regulatory initiatives through the insights gained in the process of working with small claim investors. Being a part of the IPC was an invaluable experience during my time at law school.

ALUMNI



OUR ADVISORS

We thank our advisors for their dedication and valuable contributions to the pro-bono work at the IPC.



Malcolm Gilroy

Mr. Gilroy is a seasoned executive in the financial services industry, having held senior management positions in North America, Europe and Africa. Mr. Gilroy is currently working on assignments in Nigeria and East Africa. He resides in Toronto and is the Chair of the Investment Committee for Logan Wealth Management. He sits on the boards of directors for The Jane Goodall Institute (Global) and Lupus Canada. Mr. Gilroy frequently participates in the training and development of student caseworkers, and has done so since the inception of the IPC in 2017. Mr. Gilroy also assists in financial evaluations and damages assessments of our files and provides guidance that is instrumental to our success.



Deborah Leckman

Ms. Leckman is a senior investment professional with over 30 years of experience in the pension fund and retail wealth industries. Ms. Leckman recently completed a six-year term as Commissioner, Director and Adjudicator at the OSC. In January 2019, she was appointed to the Board of Trustees at OPTrust by the Government of Ontario. Ms. Leckman participates in the weekly IPC team meetings and provides assistance, support and recommendations on file matters.



Christopher McKenna

Mr. McKenna is a lawyer at Bennett Jones LLP and is responsible for the overall operation and administration of the Toronto Student Program, including the recruitment and development of Summer and Articling Students. He is also a member of National Association of Law Placement (NALP) and of the OCI Advisory Committee. Mr. McKenna has been dedicated to the IPC since its inception and participates in training our student caseworkers and supervising various IPC files.



Reena Berlind

Ms. Berlind has experience as a commercial litigator, general counsel and consultant to various franchise organizations, practicing primarily commercial law. She has also overseen work in other fields, such as litigation, real estate, regulatory affairs, employment, marketing and trademarks. Since retiring from practice, she has volunteered with many charitable and non-profit organizations. Ms. Berlind participates in the weekly IPC team meetings and provides assistance, support and recommendations on file matters.

LOOKING AHEAD

GETTING INVOLVED

Donations and Financial Support

- The IPC is a student-run pro-bono legal service, and we are always looking for donations and support! If you are interested in donating, please email us at ipc@osgoode.yorku.ca.

Industry Professionals

- Are you an industry professional who would like to lead seminars? The IPC is always looking for professionals to give our student caseworkers a competitive edge. Please reach out to us at ipc@osgoode.yorku.ca if you would like to get involved!
- If you are a lawyer who would like to work alongside the IPC in providing services to our clients or supervising a group of student caseworkers on their files, please reach out to us!

Spreading the Word

- The IPC always appreciates referrals and the promotion of our services or publications to the public.

REQUESTING OUR SERVICES

- Do you believe that your investments have been mishandled? Have you been a victim of investment fraud? The IPC wants to hear from you!
- If you believe you could benefit from our services, apply online:
<https://www.yorku.ca/osgoode/ipc/clinics-process/>.
- The IPC also conducts Living Lab research, collecting data and performing analysis to inform the scholarly literature and public policy debates, and to provide views and opinions to regulatory bodies and governments, and educate the general public on issues facing retail investors. You will be asked to provide your informed consent prior to participation in the Living Lab research. However, your participation in the Living Lab research is not required to be considered to receive pro-bono services from the IPC.



FREE LEGAL ADVICE
FOR PEOPLE WHO BELIEVE THEIR INVESTMENTS WERE MISHANDLED.

 **The Law Foundation of Ontario**
Advancing access to justice

 **OSC** ONTARIO SECURITIES COMMISSION

 **CIRI · OCRI**
Canadian Investment Regulatory Organization / Organisme canadien de réglementation des investissements

 **OSGOODE**
OSGOODE HALL LAW SCHOOL

 **YORK**
UNIVERSITÉ UNIVERSITY



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