

**IN THE MATTER OF THE *SECURITIES ACT*,  
R.S.P.E.I. 1988, c S-3.1**

*Joan Mac Kay*  
Director of Corporations  
*for*  
Sept. 26, 2016  
Date

**AND**

**IN THE MATTER OF A SETTLEMENT AGREEMENT BETWEEN  
INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA**

**AND**

**JOHN PHILLIP WATTS**

**ORDER**

**(Section 76 and Section 83 of the *Securities Act*)**

**WHEREAS** the Investment Industry Regulatory Organization of Canada (“IIROC”) and John Phillip Watts (“Watts”) entered into a settlement agreement (the “Settlement Agreement”) wherein Watts, a Registered Representative, admitted to failing to ensure that recommendations made to clients were suitable and to engaging in unauthorized trading in contravention of IIROC Rules.

**AND WHEREAS** on April 13, 2016, following a settlement hearing, an IIROC Hearing Panel accepted the Settlement Agreement by way of an oral decision, thereby rendering the Settlement Agreement effective and binding upon the parties to the agreement.

**AND WHEREAS** the IIROC Hearing Panel issued a written decision on August 9, 2016 confirming its oral decision rendered on April 13, 2016 (the Decision).

**AND WHEREAS** as part of the terms of the Settlement Agreement, Watts agreed to the imposition of monetary penalties and costs in the amount of a \$115,000 fine and \$20,000 in costs, payable to IIROC immediately upon the effective date of the settlement agreement;

**AND WHEREAS** IIROC is a recognized entity under Part 7 of the *Securities Act*;

**AND WHEREAS** IIROC has requested that pursuant to Section 76(c) of the *Securities Act* the Superintendent by order authorize IIROC to file the Decision with the Supreme Court of Prince Edward Island under Section 83(1) of the *Securities Act*;

**AND UPON REVIEWING** IIROC's letter dated Sept. 21, 2016, and the Decision;

**AND WHEREAS** the Superintendent is of the opinion that it is in the public interest to make this Order;

**IT IS HEREBY ORDERED THAT:**

1. Pursuant to Section 76(c) of the *Securities Act*, IIROC is authorized to file the Decision attached as Schedule "A" with the Supreme Court of Prince Edward Island under Section 83(1) of the *Securities Act*.

**DATED** at the City of Charlottetown, Prince Edward Island, this 26<sup>th</sup> day of September, 2016.

**Original Signed by**  
**"Steve Dowling"**

---

**Steve Dowling**  
Superintendent of Securities  
Province of Prince Edward Island