ALBERTA SECURITIES COMMISSION

DECISION

Citation: Re Tomkins, 2026 ABASC 17 **Date: 20260204**

Michael Rowland Tomkins

Panel:	Tom Cotter Kari Horn, K.C.
Representation:	Yasifina Somji Jordan Smith for Commission Staff
Submissions Completed:	October 27, 2025
Decision:	February 4, 2026

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I. INTRODUCTION

[1] Staff (**Staff**) of the Alberta Securities Commission (the **ASC**) applied for an order permanently banning Michael Rowland Tomkins (**Tomkins**) from participating in the Alberta capital market. Staff relied on s. 198.1(2)(d)(ii) of the *Securities Act* (Alberta) (the **Act**), which authorizes the ASC to make orders under ss. 198(1)(a) to (h) against a person who has agreed with a recognized self-regulatory organization in Canada to be subject to sanctions, conditions, restrictions or requirements.

[2] In February 2025, the Canadian Investment Regulatory Organization (**CIRO**) entered into a settlement agreement with Tomkins (the **Agreement**). In the Agreement, Tomkins admitted that he misappropriated $1,688,500 from two of his clients between February 2019 and July 2023 (the **Relevant Period**) while he was a Registered Representative with CIRO (references to clients in this decision means the two clients affected during the Relevant Period, unless the context requires otherwise). Tompkins admitted that he contravened Investment Dealer Rule 1400 by engaging in business conduct or practice that was unbecoming or detrimental to the public interest. Pursuant to the terms of the Agreement, Tomkins agreed to sanctions, including permanent prohibitions from his "approval in any capacity with CIRO" and from "employment in any capacity by a Regulated Person" as well as a significant fine, disgorgement amount and costs.

[3] For the following reasons, we find that it is in the public interest to order permanent market-access bans against Tomkins.

II. BACKGROUND

A. Staff's Notice

[4] In a notice dated September 12, 2025 (the **Notice**), Staff applied for permanent market-access bans against Tomkins pursuant to ss. 198.1(2)(d)(ii) and 198(1) of the Act. The Notice listed the grounds and materials in support of Staff's application.

[5] Via email sent October 17, 2025, Tomkins was served with the Notice, an affidavit sworn on July 16, 2025 by a Staff investigator (the **Affidavit**), and Staff's written submissions.

[6] While s. 198.1(2) of the Act permits the ASC to make an order under s. 198 without providing an opportunity to be heard, the Notice indicated that Tomkins could, within 10 days of service, contact the ASC's Registrar to request a hearing. As Tomkins did not do so, we considered whether to issue permanent public interest orders based on Staff's written materials.

B. The Affidavit Evidence

[7] The Affidavit contained two exhibits:

- the Reasons for Decision on Acceptance of Settlement dated April 29, 2025 (the **CIRO Decision**, cited as *Re Tomkins*, 2025 CIRO 22), which appended the Agreement; and
- a copy of a certificate (the **Certificate**) issued by the ASC's Corporate Secretary on July 7, 2025, pursuant to s. 218 of the Act.

1. The Agreement

[8] The Agreement contained the following admissions:

- Tomkins was employed in the investment industry since the 1980s, and was a registered representative from June 19, 2018 until October 18, 2023;
- from 2007 to July 2023, Tomkins misappropriated approximately $5,996,992 from five clients, and returned approximately $1,692,422 to four of those clients;
- specifically, during the Relevant Period, Tomkins:
  - misappropriated $1,688,500 from two of the five clients who were "elderly and vulnerable with noted health concerns", and returned approximately $418,103.50 to one of those clients;
  - used various methods to misappropriate funds, including deposits of cheques, bank drafts and electronic fund transfers, and he deliberately deceived his clients and his employer by providing fabricated or inaccurate information to avoid detection;
  - used the misappropriated funds for his personal benefit, including making speculative investments in an unsuccessful attempt to recoup the funds;
- on or about October 18, 2023 (and after being told by one of the clients on October 10 that they planned on moving their investments to another firm), Tomkins voluntarily resigned his employment, and he has not since been employed with any CIRO-regulated firm;
- CIRO received an "endorsed letter" dated November 28, 2023, in which Tomkins admitted to misappropriating funds from the clients;
- in an interview with CIRO on September 18 and 19, 2024, Tomkins admitted under oath that he had misappropriated $1,688,500 from the clients and that he used those funds for his personal benefit;
- one of the clients commenced legal action against both Tomkins and his employer; and
- Tomkins had no prior disciplinary history with CIRO or its predecessors, and he accepted responsibility for his misconduct.

[9] The Agreement also provided that Tomkins' misappropriation of his clients' funds in the Relevant Period contravened CIRO's requirements – specifically Investment Dealer Rule 1400 – by engaging in business conduct or practice unbecoming or detrimental to the public interest while Tomkins was a registered representative.

[10] According to the Agreement, Tomkins agreed to the following sanctions and costs:

- permanent prohibition of approval in any capacity with CIRO;
- permanent prohibition from employment in any capacity by a Regulated Person;
- payment of a $1,000,000 fine;
- disgorgement of $1,270,396.50; and
- payment of $10,000 for costs.

[11] The Agreement was conditional on acceptance by a CIRO hearing panel after a settlement hearing, and Tomkins agreed to pay the monetary amounts within 30 days of such acceptance.

2. CIRO's Decision

[12] In a hearing held on March 25, 2025, Tomkins and CIRO's enforcement counsel jointly recommended that the CIRO hearing panel (the **CIRO Panel**) accept the Agreement. The CIRO Panel accepted the Agreement and reserved reasons for its decision.

[13] In the CIRO Decision, the CIRO Panel summarized the agreed facts and the terms of settlement, and observed that Tomkins expressed deep remorse for his actions. After noting that a hearing panel may accept or reject a settlement agreement, the CIRO Panel acknowledged that settlements generally involve negotiations outside the purview of a hearing panel and are "usually desirable where possible in the public interest". The CIRO Panel stated that settlements should therefore be accepted unless the proposed penalties "clearly fall outside a reasonable range of appropriateness". In its analysis, the CIRO Panel limited its consideration to events from the Relevant Period, and determined that Tomkins' actions reflected an ongoing pattern of intentional and serious misconduct that defrauded the elderly clients of large sums of money. The CIRO Panel found that this misconduct fell at the most serious end of the spectrum. The CIRO Panel also considered that Tomkins had self-reported and admitted his misconduct, returned some of the misappropriated funds to one client, voluntarily resigned his employment, and left the CIRO-regulated industry.

[14] The CIRO Panel referenced previous cases involving similar misconduct and determined that the penalties included orders to disgorge the misappropriated funds, pay substantial fines and costs, and normally imposed permanent bans from registration or employment in the securities industry. The CIRO Panel determined that the proposed penalties were within a reasonable range, consistent with previous cases, fair and reasonable in the circumstances and "sufficient to create a strong deterrent". The CIRO Panel concluded that the public interest would be served by accepting the proposed settlement.

3. The Certificate

[15] The Certificate established that Tomkins was registered in Alberta as a Mutual Fund Dealer– Dealing Representative from January 6, 2010 to January 15, 2018 and as an Investment Dealer – Dealing Representative from March 13, 2018 to October 18, 2023. It also confirmed that Tomkins has not been registered in any capacity since October 18, 2023.

III. PROCEEDINGS UNDER SECTION 198.1(2) OF THE ACT

A. Statutory Framework

[16] Section 198.1(2)(d)(ii) of the Act provides:

> Notwithstanding section 198(3), the Commission may, with or without providing an opportunity to be heard, make an order under section 198(1)(a) to (h) in respect of a person or company if the person or company
>
> . . .
>
> (d) has agreed with
>
> . . .
>
> (ii) a recognized self-regulatory organization in Canada, . . .
>
> . . .

to be subject to sanctions, conditions, restrictions or requirements.

[17] Section 198.1(2) allows the ASC to impose public interest orders on the basis of findings made by, or admissions contained in agreements with, certain securities regulatory authorities, self-regulatory organizations, exchanges, and courts. Where the requirements of the provision are met, and if warranted by the public interest, the ASC may issue orders pursuant to s. 198.1(2)(d) without the need to undertake inefficient parallel, duplicative proceedings (*McLean v. British Columbia (Securities Commission)*, 2013 SCC 67 at paras. 2 and 54).

[18] We therefore consider whether the prerequisites to s. 198.1(2)(d)(ii) of the Act are met in the circumstances, namely whether Tomkins agreed with a "recognized self-regulatory organization in Canada" to be subject to sanctions, conditions, restrictions or requirements.

B. Agreement with CIRO

[19] There is no doubt that Tomkins entered into the Agreement with CIRO. It was signed by Tomkins and CIRO's enforcement counsel in February 2025. The only condition of the Agreement was satisfied on March 25, 2025 when the CIRO Panel accepted the Agreement.

C. Recognized Self-Regulatory Organization

[20] The Act defines a "recognized self-regulatory organization" to mean a self-regulatory organization recognized by the ASC under s. 64 of the Act (s. 1(yy)). CIRO was recognized by the ASC under s. 64 of the Act, effective January 1, 2023: see *Re New Self-Regulatory Organization of Canada*, 2022 ABASC 151, as amended by *Re Canadian Investment Regulatory Organization*, 2023 ABASC 65.

D. Subject to Sanctions, Conditions, Restrictions or Requirements

[21] Tomkins agreed to be subject to sanctions, conditions, restrictions or requirements. The Agreement characterized the terms of settlement as "sanctions and costs", and comprised permanent prohibitions and the payment of a fine, costs, and disgorgement of the misappropriated funds. These outcomes are clearly "sanctions, conditions, restrictions or requirements" within the meaning of s. 198.1(2)(d)(ii).

[22] As the requisite conditions for s. 198.1(2)(d)(ii) of the Act are met, we now consider whether it is in the public interest to issue an order under s. 198(1).

IV. PUBLIC INTEREST ORDER UNDER SECTION 198(1) OF THE ACT

A. Staff's Submissions

[23] Staff submitted that Tomkins poses a serious, ongoing threat to Alberta investors and the integrity of the Albera capital market, and that he should be permanently banned from future participation in the capital market. Although Tomkins' misconduct occurred in British Columbia, Staff argued that his active registration in Alberta throughout the Relevant Period provided a sufficient nexus to justify an order under s. 198(1) of the Act. Staff argued that recognition of the Agreement in Alberta would serve the public interest by conveying to registrants that those who abuse their position of trust will incur regulatory consequences across all jurisdictions in which they are authorized to operate.

[24] Staff submitted that serious misconduct involving deceit and the misappropriation of client funds harms the public interest. Staff cited three ASC enforcement decisions where permanent market-access bans and significant monetary sanctions were ordered against respondents who misappropriated investor funds:

- *Re Bradbury*, 2016 ABASC 272 – the respondent, who was previously a registrant with a history of securities law misconduct, admitted to having engaged in serious misconduct (fraud, illegal trades and distributions, and making misrepresentations to Staff), which included the diversion of at least $370,000 of investor funds for his personal use.

- *Re Calmusky*, 2016 ABASC 9 – the respondent admittedly engaged in fraudulent misconduct involving the diversion of investors' money to accounts belonging to him and to his relatives.

- *Re Fauth*, 2019 ABASC 102 – the individual respondent's misconduct – consisting of fraud, making misrepresentations to investors, and acting as an unregistered dealer – involved the receipt of millions of dollars from investors that he used "in whatever manner he saw fit at the time", including the diversion of significant funds through loans to non-arm's length parties while also making payments to others in the manner of a Ponzi scheme.

[25] Staff argued that Tomkins' misconduct was more egregious than these cases, in part because he misappropriated millions of dollars from his clients. He also abused his position of trust by knowingly breaching his fiduciary duties owed to his clients. Despite not having a disciplinary history, Tomkins' misconduct constituted an ongoing pattern of deception that began before the Relevant Period. Staff acknowledged that Tomkins voluntarily reported his misconduct and resigned his employment, expressed deep remorse during the CIRO hearing, and returned some of the misappropriated funds, but contended that his actions seriously harmed vulnerable and elderly clients.

[26] Staff submitted that Tomkins' misconduct indicated a heightened need for both specific and general deterrence and therefore the public interest demanded a severe sanction. Staff requested an array of permanent market-access bans, including a broad director and officer ban, prohibitions on Tomkins' ability to trade, purchase and advise in securities or derivatives, and to otherwise engage in investor-relations activities. In Staff's view, these are reasonable, proportionate orders that will serve the public interest by conveying strong messages of specific and general deterrence while promoting the public's trust and participation in the Alberta capital market. Staff also contended that the requested bans would supplement the CIRO sanctions by further protecting investors and the capital market from potential future harm.

B. Analysis

[27] Section 198(1) of the Act authorizes an ASC panel to issue certain orders where it is in the public interest to do so. Such authority is to be exercised with a view to protecting investors and fostering a fair and efficient capital market, while ensuring that such orders are preventive in nature, prospective in orientation, and proportional and reasonable in the circumstances (*Committee for the Equal Treatment of Asbestos Minority Shareholders v. Ontario (Securities*

Commission), 2001 SCC 37 at paras. 39-45; *Re Homerun International Inc.*, 2016 ABASC 95 at para. 12; *Walton v. Alberta (Securities Commission)*, 2014 ABCA 273 (leave to appeal to the Supreme Court of Canada refused [2014] S.C.C.A. No. 476) at para. 154).

[28] While Tomkins' misconduct occurred in British Columbia, he was concurrently registered in Alberta throughout the Relevant Period. In the circumstances, a public interest order under s. 198(1) of the Act is available.

[29] In determining appropriate orders under s. 198(1), ASC panels consider and weigh certain sanctioning factors, namely the seriousness of the respondent's misconduct, the respondent's pertinent characteristics and history, the benefits sought or obtained by the respondent from the misconduct, and any additional mitigating and aggravating considerations (*Homerun* at para. 20). Applying those factors to Tomkins' circumstances, we conclude that it is in the public interest to issue permanent market-access bans against Tomkins, as requested by Staff.

[30] We agree with the CIRO Panel that Tomkins' misconduct fell at the most serious end of the spectrum. His misconduct was particularly egregious given the deception he used to misappropriate $1,688,500 from his elderly and vulnerable clients for his personal benefit. In short, he intentionally enriched himself by embezzling large sums entrusted to him by susceptible clients. The seriousness of his misconduct is aggravated by his disregard of his professional responsibilities to act with honesty, integrity and proficiency, thereby undermining the public trust placed in registrants. As recently commented by an ASC panel, "[s]ecurities-related fraud diminishes public confidence in our capital market, especially when the fraud is perpetrated by registrants" (*Re Ber*, 2025 ABASC 166 at para. 69). Tomkins also betrayed the trust of his former employer, who now faces potential civil liability for his actions. Tomkins' misconduct was extremely serious and presents a significant risk to the capital market.

[31] Tomkins' lack of prior disciplinary history does not diminish the seriousness of his actions. Rather, his decades of experience in the investment industry and his experience as a registrant should have conveyed to him that misappropriating client funds was inherently wrong. That he was able to evade detection for many years likely reflected his ability to effectively deceive both his clients and his employer, and reinforces the significant risk he poses to the public interest.

[32] Tomkins ultimately self-reported his misconduct, resolved the allegations against him by entering the Agreement, and expressed remorse for his actions. These are all mitigating factors, but they do not outweigh the seriousness of his misconduct and consequential harms. He clearly poses a significant risk to investors and the capital markets.

[33] Accordingly, we find that the public interest requires a permanent order under s. 198(1) to restrict his future participation in the Alberta capital market. The orders requested by Staff were comprehensive, including a prohibition against Tomkins acting as director or officer (or both) of any issuer, registrant or other specified capital market entities. Confidence in the capital market relies, at least in part, on the expectation that market participants will conduct themselves with integrity. Tomkins has demonstrated by his misconduct that he is particularly ill-suited to discharge the fiduciary duties required of a company director or officer, and that his future participation in the capital market is incompatible with the public interest. We find that the wide-ranging market-access bans requested by Staff are appropriate and in the public interest.

V. SANCTIONS ORDERED

[34] For the foregoing reasons, we make the following orders against Tomkins:

- under s. 198(1)(d) of the Act, he must immediately resign all positions he holds as a director or officer (or both) of any issuer, registrant, investment fund manager, recognized exchange, recognized self-regulatory organization, recognized clearing agency, recognized trade repository, designated rating organization, designated information processor, recognized quotation and trade reporting system, or designated benchmark administrator; and

- with permanent effect:
  - under ss. 198(1)(b) and (c), he must cease trading in or purchasing any securities or derivatives, and all of the exemptions contained in Alberta securities laws do not apply to him;

  - under s. 198(1)(e), he is prohibited from becoming or acting as a director or officer (or both) of:
    - any issuer or other person or company that is authorized to issue securities; or
    - a registrant, investment fund manager, recognized exchange, recognized self-regulatory organization, recognized clearing agency, recognized trade repository, designated rating organization, designated information processor, recognized quotation and trade reporting system, or designated benchmark administrator; and

  - under ss. 198(1)(c.1), (e.1), (e.2) and (e.3), he is prohibited from:
    - engaging in investor relations activities;
    - advising in securities or derivatives;
    - becoming or acting as a registrant, investment fund manager, or promoter; and
    - acting in a management or consultative capacity in connection with activities in the securities market.

[35] This proceeding is concluded.

February 4, 2026

For the Commission:

"original signed by"
Tom Cotter

"original signed by"
Kari Horn, K.C.