The case of Mr. R was a unique and unprecedented case for the investor protection clinic. The case was one of the first that the clinic undertook since it’s inception and has been overseen by three generations of caseworkers. The prolonged duration of the case was largely due to its bespoke nature and the fact that there was little precedent to build off of. Caseworkers were largely exercising their own judgement in how the case should be best handled.

Mr. R’s case was predicated on a transfer of accounts between two financial institutions. Within these accounts, Mr. R was an active trader and held large equity positions within a number of companies. His total portfolio, was worth approximately $1 million. In 2018, representatives of a large financial institution approached Mr. R and suggested that he would be better suited by transferring his accounts to their institution. Through negotiations, Mr. R, was able to obtain preferable terms for his trading accounts within the new financial institution and agreed to transfer his accounts. Although Mr. R had agreed to transfer the accounts to the new institution, he insisted that the final transfer was not to be executed without his express consent as he wanted to ensure all his affairs were in order.

In October of 2018, the receiving financial institution initiated the transfer without Mr. R’s consent. As a result of the transfer, Mr. R was unable to access his accounts for a period of two weeks. Within these two weeks, the capital markets experienced significant volatility and Mr. R’s portfolio suffered significant losses. Given the fact that the transfer was initiated without Mr. R’s consent, he was unable to adjust his portfolio to account for market volatility. The improper transfer procedure had cost Mr. R hundreds of thousands of dollars.

In the early stages of the clinic’s involvement, caseworks assisted Mr. R in navigating the internal mechanisms of dispute resolution at the financial institution. This included matters such as filing customer service complaints and working with the financial institution’s internal ombudsman. When internal avenues proved unsuccessful at remediating Mr. R’s loss, the clinic turned its attention to external dispute resolution avenues – namely OBSI and IIROC. Although the external dispute resolution process proved more fruitful, Mr. R was still not satisfied with the settlement offer on the table.

In the most recent stages of the clinic’s involvement, caseworkers were preparing to take Mr. R’s case to IIROC arbitration. Participation in an arbitration would have been a novel experience for the clinic and was an exciting prospect. However, in the end, the financial institution came back to Mr. R with an improved settlement offer that Mr. R was satisfied with. The final settlement was in the amount of $250,000 – the largest ever in the clinic’s history. The clinic’s final involvement was overseeing the settlement process to ensure that all funds were appropriately transferred to Mr. R.