

Citation: 2023 BCSECCOM 175

## Settlement Agreement

Todd David MacSween

### *Securities Act, RSBC 1996, c. 418*

¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director) and Todd David MacSween (MacSween) agree as follows:

#### **Agreed Statement of Facts**

1. MacSween is a resident of Qualicum Beach, British Columbia. From June 1, 2017 to October 28, 2020 (the Relevant Period), MacSween was a resident of Comox, British Columbia.
2. During the Relevant Period, MacSween was registered as an advising representative (portfolio manager) with Fieldhouse Capital Management Inc (Fieldhouse), a corporation registered in British Columbia as an investment fund manager, portfolio manager and exempt market dealer.
3. MacSween was responsible for managing Class M Global Macro Core Fund (Class M), one of the investment funds offered by Fieldhouse. He also acted as a discretionary portfolio manager for individual clients, most of whom invested in Class M.
4. MacSween has no prior securities disciplinary history.

#### **Misconduct**

5. In August 2021, Commission staff completed a limited-scope compliance examination of Fieldhouse. The exam included a review of 16 of MacSween's clients who invested approximately \$4.3 million in Class M (the Clients).
6. MacSween did not maintain sufficient information regarding the Clients' investment needs and objectives, financial circumstances, and risk tolerance (collectively, the KYC Information) to ensure that investments were suitable for them.
7. Investments in Class M were too risky for each of the Clients, and unsuitable for their needs, objectives and personal and financial circumstances.
8. By engaging in the conduct described above, MacSween failed:
  - (a) to maintain current and accurate KYC Information for the Clients, contrary to sections 13.2(2)(c) and 13.2(4) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103), and
  - (b) in his duty as an advising representative, to ensure that the Class M investments were suitable for the Clients, contrary to section 13.3 of NI 31-103.

#### **Mitigating Factors**

9. MacSween agreed to make early admissions with respect to the above-noted misconduct prior to the issuance of a Notice of Hearing.
10. MacSween expressed genuine remorse for his conduct, was cooperative with staff, and worked proactively with the Clients to address and mitigate harm.

#### **Public Interest**

11. It is in the public interest that the Executive Director issue orders under section 161 of the Act.

### Undertaking

12. MacSween undertakes to pay \$60,000 to the Commission in respect of settlement of this matter.

### Order

¶ 2 The Executive Director will issue an order (the Order) that:

1. MacSween is prohibited for the longer of 8 years or the date that the undertaking set out in paragraph 12 is paid in full:

- (a) under section 161(1)(d)(iii), from becoming or acting as a registrant or promoter;
- (b) under section 161(1)(d)(v), from engaging in promotional activities by or on behalf of
  - (i) an issuer, security holder or party to a derivative, or
  - (ii) another person that is reasonably expected to benefit from the promotional activity.

### Consent to Regulatory Orders

¶ 3 MacSween consents to a regulatory order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the Orders set out in ¶2 above.

### Waiver

¶ 4 MacSween waives any right he may have, under the Act or otherwise, to a hearing, hearing and review, judicial review or appeal related to, in connection with, or incidental to this settlement.

### Counterpart

¶ 5 This Settlement Agreement may be signed in counterpart and all such counterparts of signed copies, whether delivered electronically or otherwise, shall be read or construed together as if they formed one originally executed document.

¶ 6 July 4, 2023

¶ 7 Todd David MacSween )  
Todd David MacSween )  
 )  
Redacted )  
Witness Signature )  
Redacted )  
Witness Name (please print) )  
Redacted )  
 )  
Redacted )  
Address )  
Redacted )  
Occupation )

*Peter J Brady*  
Jul 24 2023 11:03 AM -07:00

¶ 8 Peter J. Brady  
Executive Director