

# Re Ajin

IN THE MATTER OF:

IN THE MATTER OF A SETTLEMENT HEARING  
PURSUANT TO SECTION 24.4 OF BY-LAW NO. 1 OF  
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA

and

Jennifer Ajin

2023 CIRO 21

Canadian Investment Regulatory Organization  
Hearing Panel (Nova Scotia District)

Heard: February 17, 2022, in Halifax, Nova Scotia (via videoconference)

Decision: February 17, 2023

Reasons for Decision: November 14, 2023

## Hearing Panel:

George MacDonald, K.C., Chair, Ann C. Etter and Joshua Martin

## Appearances:

Michael A. M. Mantle, Enforcement Counsel for CIRO

Jennifer Ajin (present)

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## REASONS FOR DECISION

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### I. INTRODUCTION

¶ 1 The Hearing of this matter was to determine if the Panel members would accept the settlement agreement dated December 3, 2021 reached between the MFDA and the Respondent, Jennifer Ajin (“Settlement Agreement”). A copy of the Settlement Agreement is attached to these Reasons as Schedule “1”. The agreed facts are set out in Part III of the Settlement Agreement.

### II. CONTRAVENTIONS

¶ 2 The Respondent admits that:

Between August 2019 and November 2019, the Respondent cut and pasted client signatures from copies of account forms previously signed by three clients onto four new account forms, and submitted the account forms to the Member for processing, contrary to MFDA Rule 2.1.1.

### III. PROPOSED SANCTIONS

¶ 3 The Settlement Agreement provides that:

- a) the Respondent shall pay a fine in the amount of \$12,500 in certified funds upon acceptance of the Settlement Agreement, pursuant to s. 24.1.1(b) of MFDA By-law No. 1;
- b) the Respondent shall pay costs in the amount of \$2,500 in certified funds upon acceptance of the Settlement Agreement, pursuant to s. 24.2 of MFDA By-law No. 1;
- c) the Respondent shall in the future comply with MFDA Rule 2.1.1.

#### IV. CONSIDERATIONS

¶ 4 The provisions of the Settlement Agreement were referred to by MFDA Staff and the Respondent during the respective comments they made to the Panel during the electronic Settlement Hearing on February 17, 2022. Both confirmed their beliefs that the terms of the Settlement Agreement accurately reflected the facts as stated and that they consented to the making of an Order whereby the Respondent is to pay a fine of \$12,500, and costs of \$2500.

#### V. CONCLUSION

¶ 5 The Panel considers the terms of the Settlement Agreement to be reasonable and orders that the Settlement Agreement be executed by MFDA Staff and the Respondent, and that such executed Order be dealt with by MFDA Staff in the usual fashion.

**DATED** this 14 day of November, 2023.

George MacDonald, K.C. (Signed March 5, 2023), Chair  
Ann C. Etter  
Joshua Martin

## Schedule “1”

Settlement Agreement

File No. 202178

IN THE MATTER OF A SETTLEMENT HEARING  
PURSUANT TO SECTION 24.4 OF BY-LAW NO. 1 OF  
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA

**Re: Jennifer Ajin**

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## SETTLEMENT AGREEMENT

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#### INTRODUCTION

¶ 1 Staff of the Mutual Fund Dealers Association of Canada (“Staff”) and the Respondent, Jennifer Ajin (the “Respondent”), consent and agree to settlement of this matter by way of this agreement (the “Settlement Agreement”).

¶ 2 Staff conducted an investigation of the Respondent’s activities which disclosed activity for which the Respondent could be penalized on the exercise of the discretion of the Hearing Panel pursuant to s. 24.1 of By-law No.1.

#### JOINT SETTLEMENT RECOMMENDATION

¶ 3 Staff and the Respondent jointly recommend that the Hearing Panel accept the Settlement Agreement.

¶ 4 The Respondent admits to the following violations of the By-laws, Rules or Policies of the Mutual Fund Dealers Association of Canada (“MFDA”):

Between August 2019 and November 2019, the Respondent cut and pasted client signatures from copies of account forms previously signed by three clients onto four new account forms, and submitted the account forms to the Member for processing, contrary to MFDA Rule 2.1.1.

¶ 5 Staff and the Respondent agree and consent to the following terms of settlement:

- a) the Respondent shall pay a fine in the amount of \$12,500 in certified funds upon acceptance of the Settlement Agreement, pursuant to s. 24.1.1(b) of MFDA By-law No. 1;
- b) the Respondent shall pay costs in the amount of \$2,500 in certified funds upon acceptance of the Settlement Agreement, pursuant to s. 24.2 of MFDA By-law No. 1;
- c) the Respondent shall in the future comply with MFDA Rule 2.1.1; and
- d) the Respondent will attend in person, on the specified date set for the Settlement Hearing.

¶ 6 Staff and the Respondent agree to the settlement on the basis of the facts set out in Part III herein and consent to the making of an Order in the form attached as Schedule “A”.

#### **AGREED FACTS**

##### **Registration History**

¶ 7 In March 2017, the Respondent first became registered in the securities industry.

¶ 8 Between January 22, 2019 and February 27, 2020, the Respondent was registered in Nova Scotia as a dealing representative with Royal Mutual Funds Inc. (the “Member”), a Member of the MFDA.

¶ 9 On February 27, 2020, the Member terminated the Respondent as a result of the conduct described below, and she is not currently registered in the securities industry in any capacity.

¶ 10 At all material times, the Respondent conducted business in the Stellarton, Nova Scotia area.

##### **Cut and Pasted Client Signatures**

¶ 11 Between August 2019 and November 2019, the Respondent cut and pasted client signatures from copies of account forms previously signed by three clients onto four new account forms, and submitted the account forms to the Member for processing.

¶ 12 The account forms consisted of: 2 Redemption/Close Acknowledgment Forms, 1 Account Opening Information (Know Your Client) Form, and 1 Investment Switch Acknowledgment Form.

##### **The Member’s Investigation**

¶ 13 On or about January 31, 2020, the Member conducted a review of client files maintained by the Respondent and discovered one of the account forms described above.

¶ 14 On or about February 13, 2020, the Member conducted an interview with the Respondent, at which time the Respondent admitted to copying and pasting the client’s signature. Subsequently, the Member suspended the Respondent.

¶ 15 The Member later conducted reviews of the client files serviced by the Respondent and identified the remaining account forms described above. On February 21, 2020, the Member conducted a further interview of the Respondent at which time the Respondent admitted to copying and pasting the client’s signature on the additional account forms.

¶ 16 On February 27, 2020, the Member terminated the Respondent.

¶ 17 As part of the Member’s investigation into the Respondent’s conduct, the Member contacted the affected clients who confirmed that the trades were authorized and a new KYC document was completed for the affected client.

##### **Additional Factors**

¶ 18 There is no evidence that the Respondent received any financial benefit from engaging in the misconduct described above beyond any commissions and fees that she would ordinarily be entitled to receive had the transactions been carried out in the proper manner.

¶ 19 As described above, the affected clients authorized the trades. There is no evidence of client loss and the clients did not complain.

¶ 20 The Respondent has not previously been the subject of MFDA disciplinary proceedings.

¶ 21 By entering into this Settlement Agreement, the Respondent has saved the MFDA the time, resources, and expenses associated with conducting a full hearing of the allegations.

## I. ADDITIONAL TERMS OF SETTLEMENT

¶ 22 This settlement is agreed upon in accordance with section 24.4 of MFDA By-law No. 1 and Rules 14 and 15 of the MFDA Rules of Procedure.

¶ 23 The Settlement Agreement is subject to acceptance by the Hearing Panel which shall be sought at a hearing (the "Settlement Hearing"). At, or following the conclusion of, the Settlement Hearing, the Hearing Panel may either accept or reject the Settlement Agreement. MFDA Settlement Hearings are typically held in the absence of the public pursuant to section 20.5 of MFDA By-law No. 1 and Rule 15.2(2) of the MFDA Rules of Procedure. If the Hearing Panel accepts the Settlement Agreement, then the proceeding will become open to the public and a copy of the decision of the Hearing Panel and the Settlement Agreement will be made available at [www.mfda.ca](http://www.mfda.ca).

¶ 24 The Settlement Agreement shall become effective and binding upon the Respondent and Staff as of the date of its acceptance by the Hearing Panel. Unless otherwise stated, any monetary penalties and costs imposed upon the Respondent are payable immediately, and any suspensions, revocations, prohibitions, conditions or other terms of the Settlement Agreement shall commence, upon the effective date of the Settlement Agreement.

¶ 25 Staff and the Respondent agree that if this Settlement Agreement is accepted by the Hearing Panel:

- e) the Settlement Agreement will constitute the entirety of the evidence to be submitted respecting the Respondent in this matter;
- f) the Respondent agrees to waive any rights to a full hearing, a review hearing or appeal before the Board of Directors of the MFDA or any securities commission with jurisdiction in the matter under its enabling legislation, or a judicial review or appeal of the matter before any court of competent jurisdiction;
- g) Staff will not initiate any proceeding under the By-laws of the MFDA against the Respondent in respect of the facts and contraventions described in this Settlement Agreement. Nothing in this Settlement Agreement precludes Staff from investigating or initiating proceedings in respect of any facts and contraventions that are not set out in this Settlement Agreement. Furthermore, nothing in this Settlement Agreement shall relieve the Respondent from fulfilling any continuing regulatory obligations;
- h) the Respondent shall be deemed to have been penalized by the Hearing Panel pursuant to s. 24.1.2 of By-law No. 1 for the purpose of giving notice to the public thereof in accordance with s. 24.5 of By-law No. 1; and
- i) neither Staff nor the Respondent will make any public statement inconsistent with this Settlement Agreement. Nothing in this section is intended to restrict the Respondent from making full answer and defence to any civil or other proceedings against the Respondent.

¶ 26 If, for any reason, this Settlement Agreement is not accepted by the Hearing Panel, each of Staff and the Respondent will be entitled to any available proceedings, remedies and challenges, including proceeding to a disciplinary hearing pursuant to sections 20 and 24 of By-law No. 1, unaffected by the Settlement Agreement or the settlement negotiations.

¶ 27 Staff and the Respondent agree that the terms of the Settlement Agreement, including the attached Schedule "A", will be released to the public only if and when the Settlement Agreement is accepted by the Hearing Panel.

¶ 28 The Settlement Agreement may be signed in one or more counterparts which together shall constitute a binding agreement. A facsimile copy of any signature shall be effective as an original signature.

**DATED** this 3rd day of December, 2021.

“Jennifer Ajin”

\_\_\_\_\_  
Jennifer Ajin

“PS”

\_\_\_\_\_  
Witness – Signature

PS

\_\_\_\_\_  
Witness – Print Name

“Charles Toth”

\_\_\_\_\_  
Staff of the MFDA

Per: Charles Toth

Vice-President, Enforcement

### Schedule “A”

Order

File No. 202178

IN THE MATTER OF A SETTLEMENT HEARING  
PURSUANT TO SECTION 24.4 OF BY-LAW NO. 1 OF  
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA

**Re: Jennifer Ajin**

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## ORDER

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**WHEREAS** on [date], the Mutual Fund Dealers Association of Canada (the “MFDA”) issued a Notice of Settlement Hearing pursuant to section 24.4 of MFDA By-law No. 1 in respect of Jennifer Ajin (the “Respondent”);

**AND WHEREAS** the Respondent entered into a settlement agreement with Staff of the MFDA, dated [date] (the “Settlement Agreement”), in which the Respondent agreed to a proposed settlement of matters for which the Respondent could be disciplined pursuant to ss. 20 and 24.1 of MFDA By-law No. 1;

**AND WHEREAS** the Hearing Panel is of the opinion that the Respondent, between August 2019 and November 2019, cut and pasted client signatures from copies of account forms previously signed by three clients onto four new account forms, and submitted the account forms to the Member for processing, contrary to MFDA Rule 2.1.1.

**IT IS HEREBY ORDERED THAT** the Settlement Agreement is accepted, as a consequence of which:

¶ 1 The Respondent shall pay a fine in the amount of \$12,500 in certified funds upon acceptance of the Settlement Agreement, pursuant to s. 24.1.1(b) of MFDA By-law No. 1;

¶ 2 The Respondent shall pay costs in the amount of \$2,500 in certified funds upon acceptance of the Settlement Agreement, pursuant to s. 24.2 of MFDA By-law No. 1;

¶ 3 The Respondent shall in the future comply with MFDA Rule 2.1.1; and

¶ 4 If at any time a non-party to this proceeding, with the exception of the bodies set out in section 23 of MFDA By-law No. 1, requests production of or access to exhibits in this proceeding that contain personal information as defined by the MFDA Privacy Policy, then the MFDA Corporate Secretary shall not provide copies of or access to the requested exhibits to the non-party without first redacting from them any and all personal information, pursuant to Rules 1.8(2) and (5) of the MFDA Rules of Procedure.

**DATED** this [day] day of [month], 20[ ].

Per: \_\_\_\_\_  
[Name of Public Representative], Chair

Per: \_\_\_\_\_  
[Name of Industry Representative]

Per: \_\_\_\_\_  
[Name of Industry Representative]

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