



Mutual Fund Dealers Association of Canada
Association canadienne des courtiers de fonds mutuels

**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: Byron Todd Briske

Heard: March 14, 2019 in Saskatoon, Saskatchewan
Decision: March 14, 2019
Reasons for Decision: May 23, 2019

REASONS FOR DECISION

Hearing Panel of the Prairie Regional Council:

Sherri Walsh
Richard Sydenham
Danielle Tétrault

Chair
Industry Representative
Industry Representative

Appearances:

Justin Dunphy)	Enforcement Counsel for the Mutual Fund
)	Dealers Association of Canada
)	
)	
Anna Markiewicz)	Counsel for the Respondent, by teleconference
)	
)	
Byron Briske)	Respondent, in person
)	
)	

I. BACKGROUND

1. Proceedings were commenced against Byron Todd Briske (“Respondent”) by Notice of Settlement Hearing dated January 3, 2019. The Settlement Hearing was held under section 24.4 of By-law No. 1 of the Mutual Fund Dealers Association of Canada (“MFDA”) on March 14, 2019 in respect of a proposed Settlement Agreement dated January 22, 2019 (“Settlement Agreement”) which was entered into between the Respondent and Staff of the MFDA (“Staff”). The Settlement Agreement is available to the public on the MFDA website.
2. The Respondent attended the hearing in person and was represented by counsel who participated by teleconference.
3. At the conclusion of the hearing the Hearing Panel (the “Panel”) accepted the Settlement Agreement. These are our Reasons for Decision.

II. RESPONDENT'S ADMISSION OF VIOLATIONS

4. The Respondent admitted to the following violations of the By-laws, Rules or Policies of the MFDA:
 - a) on or about May 12, 2016 the Respondent recorded the risk tolerance of a client on an account form without speaking with the client, thereby failing to use due diligence to learn and accurately record the client’s “Know Your Client” information to ensure that each order accepted and recommendation made for the account was suitable for the client, contrary to MFDA Rules 2.2.1 and 2.1.1;
 - b) on or about May 26, 2016, the Respondent processed a mutual fund purchase totaling approximately \$14,239 in a client’s account without client authorization, contrary to MFDA Rule 2.1.1;
 - c) between November 2012 and October 2015, the Respondent altered 11 account forms in respect of 7 clients, by altering information on the account forms without having the clients initial the alternations, contrary to MFDA Rule 2.1.1; and
 - d) between February 2011 and May 2016, the Respondent obtained, possessed, and used to process transactions, 8 pre-signed account forms in respect of 5 clients, contrary to MFDA Rule 2.1.1.

III. TERMS OF SETTLEMENT

5. Staff and the Respondent agreed on the following terms of settlement:
- a) the Respondent shall pay a fine in the amount of \$15,000 in certified funds upon acceptance pursuant to s. 24.1.1.(b) of MFDA By-law No. 1;
 - b) the Respondent shall pay costs in the amount of \$2,500.00 in certified funds upon acceptance pursuant to s. 24.2 of MFDA By-law No. 1;
 - c) the Respondent shall in the future comply with MFDA Rules 2.2.1 and 2.1.1; and
 - d) the Respondent will attend in person, on the date set for the Settlement Hearing.

IV. AGREED FACTS

6. The facts which were agreed to between Staff and the Respondent for the purposes of reaching the Settlement Agreement are set out in Section III of the Settlement Agreement. Quoting directly from paragraphs 7 through 40 of the Settlement Agreement, they are as follows:

Registration History

7. Since July 2005, the Respondent has been registered in Saskatchewan as a mutual fund salesperson (now known as a dealing representative) with Assante Financial Management Ltd. (“Assante”), a Member of the MFDA.
8. The Respondent is also currently registered in Alberta, British Columbia, and Ontario.
9. At all material times, the Respondent conducted business in the Saskatoon, Saskatchewan area.

Account Opening and Unauthorized Trade

10. At all material times, Assante’s policies and procedures:
- a) prohibited its Approved Persons from engaging in unauthorized trading; and
 - b) required its Approved Persons to conduct due diligence to learn the essential facts about a client before opening a new account, including the client’s risk tolerance.
11. At all material times, client TP was a client of Assante who had a group registered retirement savings plan (“RRSP”) account through her employer, which was serviced by the Respondent.

12. The Respondent states that he knew client TP and had managed investments for her since approximately October 2013, and had discussed client TP's financial circumstances and goals on multiple occasions.

13. In February 2016, client TP was provided notice that her employment was to be terminated because the company she worked for had been sold. In or around March 23, 2016, client TP's employer advised client TP that she had the opportunity to exercise an option by May 22, 2016, to move her group RRSP into an individual RRSP account.

14. In May 2016, client TP spoke with the Respondent's assistant in order to open an individual RRSP account using the monies from her group RRSP plan with her employer.

15. In May 2016, the Respondent directed his assistant to send a partially completed New Account Application Form ("NAAF"), transfer authorization form, and mutual fund application form to client TP to complete, sign and return.

16. The Respondent did not have any discussions with client TP regarding her Know Your Client information, including risk tolerance, prior to directing his assistant to send the partially completed forms to client TP. In addition, the Respondent did not discuss with client TP which mutual fund she was to purchase in her individual RRSP account.

17. On or about May 12, 2016, client TP completed some of the information on the account forms as described above at paragraph 15, signed them, and returned them to the Respondent's office. In particular, client TP returned to the Respondent a signed NAAF that contained a completed time horizon and investment objective, but did not contain client TP's risk tolerance, as well as transfer authorization and mutual fund application forms that each did not specify the mutual fund that client TP would purchase in her individual RRSP account.

18. Prior to May 22, 2016, without either discussing with client TP her KYC information and which mutual fund she would purchase for her individual RRSP account, the Respondent:

- a) directed his assistant to fill in client TP's risk tolerance on the signed NAAF as 100% medium risk; and
- b) selected the mutual fund on the transfer authorization form and mutual fund application form.

19. The Respondent states that:

- a) he directed his assistant to fill in the risk tolerance on the signed NAAF after first unsuccessfully trying to contact client TP on multiple occasions; and
- b) he based the risk tolerance he completed on the signed NAAF on the risk level of the mutual fund in which client TP had previously held in her group RRSP.

20. On or before May 22, 2016, the Respondent sent the NAAF, transfer authorization form, and mutual fund application form to Assante for processing. On or about May 26, 2016, Assante processed a mutual fund purchase of \$14,239.31 in client TP's individual RRSP account.

21. On or about November 7, 2016, client TP complained to Assante that the transaction in her individual RRSP account was unauthorized. Assante subsequently transferred out the balance of the client TP's RRSP account without any loss or fees payable by client TP.

Altered Account Forms

22. At all material times, Assante's policies and procedures prohibited its Approved Persons from making changes on account forms without client initials authorizing the change.

23. Between November 2012 and October 2015, the Respondent altered 11 forms in respect of 7 clients by using liquid correction fluid to make alterations on the account forms, without having the clients initial the alterations.

24. The altered account forms consisted of:

- a) 4 fund switch request forms;
- b) 2 letters of direction;
- c) 1 leverage analysis and disclosure form;
- d) 1 mutual fund application form; and
- e) 3 purchase and redemption request forms.

25. The Respondent sent the altered account forms to Assante to process transactions in the clients' accounts.

Pre-Signed Account Forms

26. At all material times, Assante's policies and procedures prohibited its Approved Persons from obtaining, holding, or using pre-signed account forms.

27. Between February 2011 and May 2016, the Respondent obtained, possessed, and used to process transactions, 8 pre-signed account forms in respect of 5 clients.

28. The pre-signed account forms consisted of:

- a) 2 NAAFs;
- b) 1 mutual fund application form;
- c) 2 transfer authorization forms; and
- d) 3 letters of direction.

Assante's Investigation

29. As described above, on or about November 7, 2016, Assante receive a complaint from client TP, and subsequently commenced an investigation.

30. Effective January 12, 2017, Assante placed the Respondent under close supervision.

31. In May 2017, as part of its investigation, Assante conducted a client file review and identified the altered and pre-signed account forms that are the subject of this settlement agreement.

32. On or about December 15, 2017, Assante issued the Respondent a warning letter as a result of the conduct that is the subject of this Settlement Agreement. Assante also imposed the following on the Respondent:

- a) a fine of \$5,000 with respect to the unauthorized trading;
- b) a fine of \$10,000 with respect to the pre-signed account forms;
- c) a requirement to complete an industry course; and
- d) an additional 3 months of close supervision.

33. The Respondent has paid the fines imposed by Assante.

Additional Factors

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

35. Except with respect to client TP as described above, there is no evidence that transactions were unauthorized, and no clients have complained with respect to the obtaining and using of pre-signed or altered account forms as described above.

36. There is no evidence of any client loss resulting from the transactions and use of forms as described above.

37. The Respondent states that he has since corrected his practices going forward and no longer obtains or uses pre-signed or altered account forms.

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

39. The Respondent has co-operated with the MFDA in its investigation.

40. 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.

V. ANALYSIS

Role of the Panel

7. A Hearing Panel has two options when considering a Settlement Agreement - either accept or reject the Settlement Agreement.

MFDA By-law No. 1, s.24.4.3

8. The role of a Hearing Panel at a Settlement Hearing is fundamentally different from the role it performs at a Contested Hearing.

9. As stated by the Hearing Panel in *Sterling Mutuals Inc. (Re)* citing the I.D.A. Ontario District Council in *Milewski (Re)*:

“...while in a contested hearing the Panel attempts to determine the correct penalty, in a settlement hearing the Panel ‘will tend not to alter a penalty that it considers to be within a reasonable range, taking into account the settlement process and the fact that the parties have agreed. It will not reject a settlement unless it views the penalty as clearly falling outside a reasonable range of appropriateness.’” (in *re Milewski*, [1999] I.D.A.C.D. No. 17.)

Sterling Mutuals Inc. (Re), MFDA File No. 200820, Hearing Panel of the Central Regional Council, Decision and Reasons dated September 3, 2008, at page 9

10. Hearing Panels have acknowledged that settlements which have been worked out by the parties should be respected, as Panels do not know what led to the settlement, or what was given up by the parties during the course of the negotiations. The presence of experienced legal counsel during the negotiation of a settlement agreement is also a factor to consider.

Fike (Re), MFDA File No. 2017102, Hearing Panel of the Central Regional Council, Decision and Reasons dated December 7, 2017, at paras.22 and 23

11. The rationale for respecting settlements of the nature found in the Settlement Agreement in this case, was also articulated by the British Columbia Court of Appeal in a case before the British Columbia Securities Commission which is frequently cited by Panels presiding over MFDA Settlement Hearings:

“Settlements assist the Commission to ensure that its overriding objective, the protection of the public, is met. Settlements proscribe activities that are harmful to the public. In so doing, they are effective in accomplishing the purposes of the statute. They provide means

of reaching a flexible remedy that is tailored to address the interests of both the Commission and the person under investigation. Enforcement is rarely a concern because the settlement is voluntary. A person who is the subject of an investigation retains the option of refusing to settle and proceeding to a hearing. Settlements are also efficient. Both parties can forego the time and expense of a hearing. Or, they can settle some matters, and direct their resources to the matters that are in dispute, and therefore to be resolved by way of a hearing.”

British Columbia (Securities Commission) v Seifert, 2007 BCCA 484, para.31

Factors Concerning Acceptance of a Settlement Agreement

12. The primary goal of all securities regulation is investor protection.

Pezim v British Columbia (Superintendent of Brokers), [1994] 2 S.C.R. 557 at paras. 59 & 68

13. In addition to investor protection, the goals of securities regulation include fostering public confidence in the capital markets and in the securities industry as a whole.

Pezim, supra, at paras. 59 & 68

14. MFDA Hearing Panels have taken into account the following criteria when considering whether to accept a proposed settlement:

1. That it is in the public interest to do so and that the penalties proposed will be sufficient to protect investors;
2. That the agreement is reasonable and proportionate, having regard to the conduct of the Respondent;
3. That the agreement addresses the issues of both specific and general deterrence;
4. That the agreement is likely to prevent the type of conduct set out in the facts;
5. That the agreement will foster confidence in the integrity of the Canadian capital markets;
6. That the agreement will foster confidence in the integrity of the MFDA; and
7. That the agreement will foster confidence in the regulatory process itself. ...

Sterling Mutuals Inc. (Re), *supra*, at pages 8 and 9

15. In determining the appropriateness of a proposed penalty, Hearing Panels also frequently cite the decision in *Breckenridge (Re)*, where the Panel stated that sanctions “... should be

preventative, protective and prospective in nature ...” taking into account the following considerations:

- a) the protection of the investing public;
- b) the integrity of the securities markets;
- c) specific and general deterrence;
- d) the protection of the MFDA’s membership; and
- e) protection of the integrity of the MFDA’s enforcement processes.

Breckenridge (Re), MFDA File No. 200718, Hearing Panel of the Central Regional Council, Decision and Reasons dated November 14, 2007, at paras. 75 &76

16. The Panel in *Breckenridge (Re)* set out the following additional factors which a Panel should consider, having regard to the specific circumstances of the case:

- a) The seriousness of the allegations proved against the respondent;
- b) The respondent’s experience in the capital markets;
- c) The level of the respondent’s activity in the capital markets;
- d) The harm suffered by investors as a result of the respondent’s activities;
- e) The benefits received by the respondent as a result of the improper activity;
- f) The risk to investors and the capital markets in the jurisdiction, were the respondent to continue to operate in capital markets in the jurisdiction;
- g) The damage caused to the integrity of the capital markets in the jurisdiction by the respondent’s improper activities;
- h) The need to deter not only those involved in the case being considered, but also any others who participate in the capital markets, from engaging in similar improper activity;
- i) The need to alert others to the consequences of inappropriate activities to those who are permitted to participate in capital markets; and
- j) Previous decisions made in similar circumstances.

Breckenridge (Re), *supra*, at para.77

MFDA Sanction Guidelines

17. On November 15, 2018, the MFDA issued Sanction Guidelines to assist Staff and Respondents in conducting disciplinary proceedings and negotiating settlement agreements pursuant to s. 20 and s. 24 of MFDA By-law No. 1 as well as to assist Hearing Panels when determining the fair and efficient imposition of sanctions in settled and contested disciplinary proceedings.

18. The MFDA Sanction Guidelines are not mandatory. They are intended to provide guidance to a Hearing Panel. The Sanction Guidelines state:

“The determination of the appropriate sanction in any given case is discretionary and a fact specific process. The appropriate sanction depends on the facts of a particular case and the circumstances of the conduct. The Sanction Guidelines are intended to provide a summary of the key factors upon which discretion may be exercised consistently and fairly in like circumstances, but are not binding on Hearing Panels. The list of key factors in the Sanction Guidelines is not exhaustive, and Hearing Panels may consider other aggravating and mitigating factors as appropriate.

Hearing Panels should always exercise judgement and discretion, and consider appropriate aggravating and mitigating factors in determining appropriate sanctions in every case. In addition, Hearing Panels should identify the basis for the sanctions imposed in the Reasons for Decision.”

Excerpts from the MFDA Sanction Guidelines

19. The Panel agrees with Staff’s submission that in cases involving the type of misconduct that occurred in the present case, the following factors listed in the Sanction Guidelines are relevant to the Panel’s decision:

- a) general and specific deterrence;
- b) promotion of public confidence;
- c) the seriousness of the allegations proved against the Respondent;
- d) the Respondent’s recognition of the seriousness of the misconduct; and
- e) previous decisions made in similar circumstances.

Enhanced Penalties

20. The Panel also notes that the MFDA has been warning Approved Persons and Members about the prohibition against using pre-signed account forms, altered accounts forms and the falsification of a client's signature, for a number of years. Most recently, in MFDA Bulletin #0661-E, dated October 2, 2015, Staff reiterated this prohibition and advised that it would be seeking enhanced penalties at MFDA disciplinary proceedings for conduct that occurred after the publication of the Bulletin on October 2, 2015.

Application in the Present Case

21. In deciding to accept the Settlement Agreement the Panel took into account the factors set out above, as follows:

Nature of the Misconduct: Failure to learn and record a client's KYC information

22. In this case, the Respondent recorded a client's risk tolerance on an account form without speaking with the client, contrary to MFDA Rules 2.2.1 and 2.1.1.

23. MFDA Rule 2.2.1 requires that Approved Persons use due diligence to learn the essential facts relative to each client and to each order or account that is accepted.

24. Due diligence includes the obligation to know and fully understand the client's financial situation, current and continuing financial obligations, net worth, income, liquid assets, understanding of the market, and age relative to retirement.

Badasha (Re), MFDA File No. 201424, Hearing Panel of the Pacific Regional Council, Decision and Reasons dated June 9, 2015 at para. 46

25. MFDA Rule 2.1.1 sets out the general standard of conduct to be followed by all Approved Persons. The Rule is designed to protect the public interest by requiring Approved Persons to adhere to a high standard of ethical conduct. It has been interpreted and applied in a purposive manner in a wide range of circumstances.

26. The Rule requires that each Member and Approved Person deal fairly, honestly, and in good faith with clients, observe high standards of ethics and conduct in the transaction of business, and refrain from engaging in any business conduct or practice which is unbecoming or detrimental

to the public interest. As the Hearing Panel stated in *Breckenridge (Re)*: “The Rule articulates the most fundamental obligations of all registrants in the securities industry.”

Breckenridge (Re), *supra*, at para. 71

27. MFDA Hearing Panels have consistently held that where an Approved Person opens a client account, updates the client’s Know-Your-Client information and/or processes trades in the client’s account, without communicating directly with the client, the Approved Person has violated both the Know-Your-Client obligation of Rule 2.2.1 and the standard of conduct obligations of Rule 2.1.1.

Badasha (Re), *supra*,

Avhad (Re), MFDA File No. 201832, Hearing Panel of the Prairie Regional Council, Decision and Reasons dated July 13, 2018

Nature of the Misconduct: Unauthorized Trade

28. The Respondent also processed a mutual fund purchase in a client’s account without the client’s authorization. Previous MFDA Hearing Panels have held that where an Approved Person processes trades in the account of a client without the client’s authorization, the Approved Person has violated the standard of conduct set out in MFDA Rule 2.1.1.

Griffith (Re), MFDA File No. 201329, Hearing Panel of the Central Regional Council, Decision and Reasons dated August 19, 2014

Moakler (Re), MFDA File No. 201571, Hearing Panel of the Central Regional Council, Decision and Reasons dated May 24, 2016

29. The Panel notes that the conduct relating to both the violation of the Know-Your-Client obligation and the processing of an unauthorized trade, occurred within the span of a single series of transactions which also included the use of 3 pre-signed account forms, all relating to the same client.

30. The Respondent advised the Panel at the hearing that when carrying out this series of transactions he placed the client in a more conservative fund, pending further discussions with her.

Nature of the Misconduct: Pre-Signed and Altered Account Forms

31. The MFDA has made clear to Approved Persons since October 31, 2007, in both MFDA Staff Notices and Bulletins, that possessing and using pre-signed and altered account forms is contrary to the obligations of Rule 2.1.1.

Member Staff Notice 0066: Pre-Signed Forms, dated October 31, 2007 (updated March 4, 2013)

MFDA Bulletin #0661-E: Signature Falsification, dated October 2, 2015

32. The dangers posed by using pre-signed forms was discussed by the Panel in *Price (Re)* and can be summarized as follows:

- a) such forms present a legitimate risk that they may be used by an Approved Person to engage in discretionary trading;
- b) at worst, pre-signed forms create a mechanism for an Approved Person to engage in acts of fraud, theft or other forms of harmful conduct towards a client; and
- c) pre-signed forms subvert the ability of a Member to properly supervise trading activity.

Price (Re), MFDA File No. 200814, Hearing Panel of the Central Regional Council, Decision and Reasons dated April 18, 2011, at paras. 122 – 124

33. The reasoning in *Price (Re)* is equally applicable to the use of altered account forms.

Post-Bulletin Misconduct

34. As noted above, 3 of the account forms in this case were obtained after the MFDA issued MFDA Bulletin #0661-E on October 2, 2015. The Panel agrees with Staff's submission that this should be taken into consideration as an aggravating factor when determining the appropriateness of the proposed penalty.

Owen (Re), MFDA File No. 201784, Hearing Panel of the Prairie Regional Council, Decision and Reasons dated December 7, 2017, at para. 35

Lo (Re), MFDA File No. 201776, Hearing Panel of the Central Regional Council, Decision and Reasons dated February 7, 2018, at paras. 16, 18

The Respondent's Experience in the Securities Industry

35. The Respondent has been registered as a mutual fund dealing representative since July 2005 and, therefore, ought to have been familiar with the requirements of the MFDA's By-laws, Policies and Rules.

36. The Panel notes, however, that the Respondent has not previously been the subject of MFDA disciplinary proceedings.

The Respondent's Recognition of the Seriousness of the Misconduct

37. By entering into the Settlement Agreement, the Respondent has accepted responsibility for his misconduct. Further, at the hearing, the Respondent apologized for his conduct and took full responsibility for what had occurred.

38. He has corrected his non-compliant practice, going forward.

39. By entering into the Settlement Agreement, the Respondent has also allowed the MFDA to avoid the necessity of incurring the additional time and expense associated with a full contested hearing.

Client Harm and Any Benefits Received by the Respondent

40. With respect to the unauthorized trade, the Member reversed the transaction and the client did not suffer any loss as a result.

Settlement Agreement, at para 21.

41. There is no evidence that the Respondent received any financial benefit from engaging in the misconduct described in the Settlement Agreement beyond any commissions and fees that he would ordinarily have been entitled to receive had the transactions been carried out in the proper manner.

42. Except with respect to the one client who was the subject of the violation of the Know-Your-Client Obligation and unauthorized transaction, as described above, there is no evidence of unauthorized transactions and no clients made complaints about the Respondent.

43. Further, there is no evidence of any client loss resulting from the Respondent's conduct.

Deterrence

44. The Panel agrees with Staff's submission that the proposed penalty of a fine of \$15,000 and costs of \$2,500 is sufficiently serious that it will achieve the goals of both specific and general deterrence.

45. The Panel also takes into consideration the fact that the Respondent paid a penalty to the Member totaling \$15,000, was required to complete an industry course and undergo 3 months of close supervision as the result of the conduct that is the subject of these proceedings.

46. The Panel is of the view, therefore, that the combination of the MFDA penalty and the penalty imposed by the Member constitutes a significant deterrent to the Respondent and others in the mutual fund industry.

Previous Decisions in Similar Cases

47. The following penalties have been imposed in similar circumstances:

Case:	Facts:	Penalties:
<i>Badasha (Re)</i>	<ul style="list-style-type: none"> • The Respondent failed to learn the essential facts with respect to 16 accounts in respect of 20 clients that were opened by an unregistered individual, and failed to supervise the conduct in his capacity as Branch Manager. • The Respondent obtained 7 pre-signed account forms, obtained client signatures with respect to 8 clients by only obtaining the signature pages, and altered 2 account forms. 	<p>The Hearing Panel approved the following settlement:</p> <ul style="list-style-type: none"> • \$5,000 fine • \$3,500 costs • 2 year prohibition
<i>Avhad (Re)</i>	<ul style="list-style-type: none"> • The Respondent opened 2 accounts for a client, recorded the client's KYC information, and processed 2 transactions in the client's accounts without having met or communicated with the client. • The Respondent put a note on the Member's back office system saying he had met with the client when he had not done so. • The Respondent was impecunious and limited in his ability to contribute towards a fine. 	<p>The Hearing Panel approved the following settlement:</p> <ul style="list-style-type: none"> • 4 month prohibition • \$2,500 costs

Case:	Facts:	Penalties:
<i>Koss (Re)</i>	<ul style="list-style-type: none"> • The Respondent processed unauthorized trades in the account of 1 client in a period of 2 days. • The Member imposed a \$15,000 fine as a result of the Respondent's conduct. 	<p>The Hearing Panel approved the following settlement:</p> <ul style="list-style-type: none"> • \$5,000 fine • \$2,500 costs
<i>Wallace (Re)</i>	<ul style="list-style-type: none"> • The Respondent processed 3 trades in the account of 1 client without the client's authorization. 	<p>The Hearing Panel approved the following settlement:</p> <ul style="list-style-type: none"> • \$10,500 fine • \$2,500 costs

Badasha (Re), supra,

Avhad (Re), supra,

Koss (Re), MFDA File No. 201812, Hearing Panel of the Prairie Regional Council, Decision and Reasons dated July 13, 2018

Wallace (Re), MFDA File No. 201683, Hearing Panel of the Atlantic Regional Council, Decision and Reasons dated January 13, 2017

48. The Panel finds that the proposed penalty is consistent with the penalties imposed in similar cases.

VI. CONCLUSION

49. Having reviewed the written submissions of Staff and having heard oral submissions from Staff, counsel for the Respondent and from the Respondent himself, the Panel is satisfied that it is in the public interest to accept the Settlement Agreement.

50. Sanctions are intended to be preventative, protective and prospective in nature. An appropriate penalty is one which will protect the public interest and prevent the occurrence of future conduct which would be detrimental to the integrity of the Markets.

Breckenridge (Re), supra, at paras 75-77

51. The Panel is of the view that in the circumstances of this case, the proposed penalty is reasonable and proportionate and accomplishes these goals.

52. Accordingly, the Panel accepts the Settlement Agreement.

DATED this 23rd day of May, 2019.

“Sherri Walsh”

Sherri Walsh
Chair

“Richard Sydenham”

Richard Sydenham
Industry Representative

“Danielle Tétrault”

Danielle Tétrault
Industry Representative

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