



Now New Self-Regulatory Organization of Canada, a consolidation of IIROC and the MFDA

**IN THE MATTER OF
THE MUTUAL FUND DEALER RULESⁱ
and
Susan Suet Man Cheung**

ORDER

(ARISING FROM A SETTLEMENT HEARING ON MARCH 20, 2023)

WHEREAS on February 1, 2023, the New Self-Regulatory Organization of Canada (the “Corporation”) issued a Notice of Settlement Hearing pursuant to Mutual Fund Dealer Rule 7.4.4 in respect of a disciplinary proceeding against Susan Suet Man Cheung (the “Respondent”);

AND WHEREAS the Respondent entered into a settlement agreement with Staff of the Corporation dated February 1, 2023 (the “Settlement Agreement”), in which the Respondent agreed to a proposed settlement of matters for which the Respondent could be disciplined pursuant Mutual Fund Dealer Rules 7.3 and 7.4.1;

AND WHEREAS based upon the admissions of the Respondent in the Settlement Agreement, the Hearing Panel is of the opinion that between May 2020 and May 2021, the Respondent, in her capacity as branch manager, instructed an Approved Person under her supervision to alter client contact information on the Dealer Member’s system without the knowledge or authorization of the client, which had the effect of interfering with the Dealer Member’s supervision of the Respondent and impacted its ability to communicate with clients, contrary to Mutual Fund Dealer Rules 2.1.1 and 2.1.4(2) (previously MFDA Rules 2.1.1 and 2.1.4).

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 \$10,000 in certified funds on the date of this Order, pursuant to Mutual Fund Dealer Rule 7.4.1.1(b);
2. The Respondent shall pay costs in the amount of \$5,000 in certified funds on the date of this Order, pursuant to Mutual Fund Dealer Rule 7.4.2;
3. The Respondent is suspended from acting as a branch manager or in any supervisory capacity for a Dealer Member registered as a mutual fund dealer (formerly Members of the MFDA) for a period of three months commencing upon the date of this Order, pursuant to Mutual Fund Dealer Rule 7.4.1.1(f);
4. The Respondent shall successfully complete an industry course that is acceptable to Staff of the Corporation, within 12 months of the date of this Order, pursuant to Mutual Fund Dealer Rule 7.4.1.1(f); and
5. If at any time a non-party to this proceeding, with the exception of the bodies set out in Mutual Fund Dealer Rule 6.3, requests production of or access to exhibits in this proceeding that contain personal information as defined by the Corporation's Privacy Policy, then the Corporate Secretary's Office, Mutual Fund Dealer Division of the Corporation 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 Mutual Fund Dealer Rules of Procedure.

DATED this 20th day of March, 2023.

“Peter Hambly”

Peter Hambly
Chair

“Edward Jackson”

Edward Jackson
Industry Representative

“Vasant Pachapurkar”

Vasant Pachapurkar

Industry Representative

DM 904514

ⁱ On January 1, 2023, the Investment Industry Regulatory Organization of Canada (“IIROC”) and the Mutual Fund Dealers Association of Canada (the “MFDA”) were consolidated into a single self-regulatory organization recognized under applicable securities legislation. The New Self-Regulatory Organization of Canada (referred to herein as the “Corporation”) adopted interim rules that incorporate the pre-amalgamation regulatory requirements contained in the rules and policies of IIROC and the by-law, rules and policies of the MFDA (the “Interim Rules”). The Interim Rules include (i) the Investment Dealer and Partially Consolidated Rules, (ii) the UMIR and (iii) the Mutual Fund Dealer Rules. These rules are largely based on the rules of IIROC and certain by-laws, rules and policies of the MFDA that were in force immediately prior to amalgamation. Where the rules of IIROC and the by-laws, rules and policies of the MFDA that were in force immediately prior to amalgamation have been incorporated into the Interim Rules, Enforcement Staff have referenced the relevant section of the Interim Rules. Pursuant to Mutual Fund Dealer Rule 1A, MFDA By-law No. 1 continues to be applicable to this proceeding and pursuant to Mutual Fund Dealer Rule 1A and s.14.6 of By-Law No.1 of the Corporation, contraventions of former MFDA regulatory requirements may be enforced by the Corporation.