



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

**IN THE MATTER OF A DISCIPLINARY HEARING
PURSUANT TO SECTIONS 20 AND 24 OF BY-LAW NO. 1 OF
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

Re: Ken David Derksen

ORDER

(ARISING FROM THE HEARING ON THE MERITS ON DECEMBER 7, 2022)

WHEREAS on May 6, 2022, the Mutual Fund Dealers Association of Canada (the “MFDA”) issued a Notice of Hearing pursuant to sections 20 and 24 of By-law No. 1 in respect of a disciplinary proceeding commenced against Ken David Derksen (the “Respondent”);

AND WHEREAS on July 4, 2022, the first appearance in this proceeding was held by videoconference before a panel of the Pacific Regional Council of the MFDA (the “Hearing Panel”);

AND WHEREAS the Respondent did not attend the first appearance and did not serve or file a Reply to the Notice of Hearing;

AND WHEREAS on December 7, 2022, a hearing on the merits was conducted by the Hearing Panel via videoconference;

AND WHEREAS the Hearing Panel considered the evidence and submissions presented by enforcement counsel for MFDA Staff;

AND WHEREAS no one appeared on behalf of the Respondent;

AND WHEREAS in the opinion of the Hearing Panel, the Respondent:

1. Between November 2016 and May 13, 2020, misappropriated or otherwise failed to account for client monies, contrary to MFDA Rules 2.1.1;
2. Between November 2016 and May 13, 2020, engaged in personal financial dealings with a client which gave rise to a conflict or potential conflict of interest that he failed to disclose to the Member or otherwise address by the exercise of responsible business judgment influenced only by the best interests of the client, contrary to the policies and procedures of the Member and MFDA Rules 2.1.4, 2.1.1, 2.5.1 and 1.1.2; and
3. Commencing in June 2020, failed to cooperate with an investigation by MFDA Staff into his conduct, contrary to section 22.1 of MFDA By-Law No. 1;

IT IS HEREBY ORDERED THAT:

1. The Respondent is permanently prohibited from conducting securities related business in any capacity while in the employ of or associated with any MFDA Member, pursuant to section 24.1.1(e) of the MFDA By-law No. 1;
2. The Respondent shall pay a fine in the amount of \$315,000, pursuant to s. 24.1.1(b) of MFDA By-law No.1, comprising of:
 - a) \$265,000 with respect to Allegations #1 and #2; and
 - b) \$50,000 with respect to Allegation #3;
3. The Respondent shall pay costs in the amount of \$10,000, pursuant to s. 24.2 of MFDA By-law No. 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 7th day of December, 2022.

“Joseph Bernardo”

Joseph Bernardo
Chair

“Barbara Fraser”

Barbara Fraser
Industry Representative

“Susan E. Monk”

Susan E. Monk
Industry Representative

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