



**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: Bayant S. Dhindsa**

Heard: April 25, 2012 in Vancouver, British Columbia  
Reasons for Decision: May 15, 2012

**REASONS FOR DECISION**

Hearing Panel of the Pacific Regional Council:

The Hon. Roger P. Kerans, FCI Arb, C Arb	Chair
Susan Monk	Industry Representative
Elaine Davison	Industry Representative

Appearances:

Maria Abate	)	For the Mutual Fund Dealers Association of
	)	Canada (“MFDA”)
Bayant S. Dhindsa	)	Respondent, appeared personally
	)	

1. In accordance with s. 20 and 24 of By-law No. 1 of the Mutual Fund Dealers Association of Canada (“MFDA” or “the Association”), its Corporate Secretary signed a Notice of Hearing with respect to Bayant S. Dhindsa on the 22nd day of September, 2011. A copy of this Notice of Hearing is marked as Appendix “A” to these Reasons for Decision.

2. This Hearing Panel found that on the 18th day of October, 2011 Bayant S. Dhindsa had been served with a copy of this Notice of Hearing in accordance with s. 4.2(1)(b) of the Rules of Procedure of the MFDA. The First Appearance took place on November 2, 2011 at which time the Hearing Panel reserved April 25, 2012 for the hearing of this matter on its merits and confirmed the commencement of the hearing on April 25, 2012.

3. The Notice of Hearing sets out the allegations made by the MFDA against Mr. Dhindsa as Respondent. They are as follows:

**Allegation #1:** Commencing in 2006 and continuing to April 2009, the Respondent had and continued in other gainful occupations that were not disclosed to and approved by the Member by:

- (a) acting as President and Director/Officer of a corporation known as Dynegent Technologies Inc.; and
- (b) acting as President and Director/Officer of a corporation known as Vonifone Inc.; and
- (c) acting as Director of a corporation known as J. Dahl’s Trading Inc.;

contrary to MFDA Rules 1.2.1(d) and 2.1.1.

**Allegation #2:** Commencing in 2006 and continuing to April 2009, the Respondent failed to comply with the policies and procedures of the Member by engaging in outside business activities which were not disclosed to and approved by the Member, thereby interfering with the Member’s ability to supervise the Respondent, contrary to MFDA Rules 1.1.2 and 2.5.1.

4. In this case, Mr. Dhindsa was charged with two allegations. One commencing in 2006 and continuing into April 2009, the Respondent had and continued in other gainful occupations

that were not disclosed to and approved by member by acting as (a) President, Director, Officer of a corporation known Dynegent Technologies Inc.; (b) acting as president, director/officer of a corporation known as Vonifone; and, (c) acting as director of a corporation known as J. Dahl's Trading Inc., contrary to MFDA Rules 1.2.1(d) and 2.1.1. We are of the view that the MFDA has satisfactorily proven these charges.

### **Decision on the Merits**

5. Ms. Monk on behalf of the Panel said:

“Our reasons are Mr. Dhindsa became involved in three outside business activities, Dynasty, Dynegent and Vonifone, despite a warning from his Member firm. He insisted he did not make any money from this activity, but we did not feel that that was relevant.”

6. The second allegation is that commencing in 2006 and continuing to April 2009, the Respondent failed to comply with the policies and procedures of the Member by engaging in outside business activities which were not disclosed to and approved by the Member, thereby interfering with the Member's ability to supervise the Respondent contrary to MFDA Rules 1.1.2 and 2.5.1. We are of the view that the MFDA has satisfactorily proven these charges.

### **Decision of Hearing Panel as to Penalty**

7. The MFDA is seeking the penalty against the Respondent as follows:

- (a) a permanent prohibition on the authority of the Respondent to conduct securities related business in any capacity while in the employ of or associated with any MFDA Member;
- (b) a total fine of \$15,000; and
- (c) costs in the amount of \$5,000.

8. Ms. Davison on behalf of the Panel said:

“The Panel agrees with the MFDA’s request for penalty of \$15,000, permanent prohibition, and \$5,000 in costs. They’re appropriate based on previous decisions made in similar circumstances based on the book of authorities, previous cases, reinforces how seriously the industry takes these matters, and serves as a deterrent for others in the industry.”

9. Therefore the Panel assessed and fixed the following penalties:

- (a) the Respondent shall be permanently prohibited from conducting securities related business in any capacity while in the employ of or associated with any MFDA Member;
- (b) the Respondent shall pay a fine in the amount of \$15,000; and
- (c) the Respondent shall pay costs to the MFDA in the amount of \$5,000.

**DATED** this 15<sup>th</sup> day of May, 2012.

“Roger Kerans”

The Hon. Roger P. Kerans FCIArb, C Arb,  
Chair

“Susan Monk”

Susan Monk,  
Industry Representative

“Elaine Davison”

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Industry Representative