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: Shaun Amitabh Goolcharan

Heard: December 1, 2015 in Winnipeg, Manitoba
Reasons for Decision: April 26, 2016

REASONS FOR DECISION

Hearing Panel of the Prairie Regional Council:

Sherri Walsh	Chair
Marc Albert	Industry Representative
James Samanta	Industry Representative

Appearances:

David Babin	)	Counsel for the Mutual Fund Dealers Association of Canada
Susan Kittell	)	Counsel for the Respondent

Background

1. This matter came before the Hearing Panel on December 1, 2015 as a Settlement Hearing, pursuant to Section 24.4.3 of By-law No. 1 of the Mutual Fund Dealers Association of Canada ("MFDA") and Rule 15 of the MFDA Rules of Procedure. The full Settlement Agreement entered into between MFDA Staff ("Staff") and Shaun Amitabh Goolcharan (the "Respondent") dated November 26, 2015 is attached to this decision as Appendix "A".

Settlement Hearing

2. Mr. Goolcharan attended the Settlement Hearing in person, together with his legal counsel.

3. At the commencement of the Hearing, the Panel granted Staff's motion to which the Respondent consented, to abridge the notice period, pursuant to Rule 2.2 of the MFDA Rules of Procedure.

4. The Panel also granted Staff's motion to move the proceedings *in camera* while we considered the Settlement Agreement. The rationale for this request, which is typically made by Staff at the commencement of a Settlement Hearing, is to ensure that members of the public do not become privy to the confidential contents of a Settlement Agreement unless and until it is accepted by a Panel.

5. To assist the Panel during the Hearing, Enforcement Counsel commenced his submissions by highlighting the following three points:

(a) pursuant to Rule 15.3 of the MFDA Rules of Procedure the facts upon which a Panel can rely to make a determination are only those which are set out in the Settlement Agreement, unless the parties consent to additional facts being considered;

(b) pursuant to Section 24.4.3 of By-law No. 1, a Hearing Panel reviewing a Settlement Agreement has only two options: either accept or reject the Agreement; and

(c) the test to be applied by a Panel in determining whether to accept a Settlement Agreement is to determine whether the penalties it sets out fall within a range of reasonableness, given the circumstances of the particular matter.

6. After a detailed review of the Settlement Agreement and careful consideration of the submissions made by the parties, this Panel determined that it was in the public interest to accept the Settlement Agreement. Once we accepted the Agreement the proceedings moved out of *camera.* We issued an Order dated December 1, 2015 confirming our acceptance of the Agreement, with Reasons to follow.

7. Here are our Reasons.

The Allegations

8. The Settlement Agreement relates to allegations in the Notice of Settlement Hearing issued November 18, 2015 that: between January 2012 and March 2014, the Respondent obtained, maintained and in some cases used to process transactions, 19 pre-signed blank or partially completed forms in respect of ten (10) client accounts contrary to MFDA Rule 2.1.1.

9. It was acknowledged at the Hearing that the dates of the contravention ought to have been identified as being between June 2012 and March 2014, not January 2012 and March 2014.

Facts

10. As Enforcement Counsel identified at the outset of the Hearing, when deciding whether to accept a Settlement Agreement, according to the MFDA Rules of Procedure, a Panel can only rely on the facts which are set out in the Settlement Agreement, unless the parties consent to provide additional facts. This is pursuant to Rule 15.3(1) of the MFDA Rules of Procedure.

11. In this case the Panel was able to make its determination without having to seek any additional facts.

12. The Settlement Agreement set out the following facts:

Registration History

7. Since May 23, 2007, the Respondent has been registered in Manitoba as a mutual fund salesperson (now known as a dealing representative) with Sun Life Financial Investment Services (Canada) Inc. ("Sun Life"), a Member of the MFDA.

8. At all material times, the Respondent conducted business in Winnipeg, Manitoba.

Blank and Partially Completed Pre-Signed Account Forms

9. At all material times, Sun Life's policies and procedures prohibited its Approved Persons from using pre-signed account forms.

10. Between June 2012 and March 2014, the Respondent obtained, maintained and used to process transactions, 13 partially complete pre-signed account forms or photocopies of partially complete pre-signed account forms, in respect of eight client accounts.

11. The 13 pre-signed forms were comprised of:

i) Four Transfer Authorization Forms;
ii) One Limited Trade Authorization Form;
iii) Three Sun Life Order Tickets;
iv) Four CCRA Direct Transfer Forms; and
v) One New Account Application Form.

12. Between March 2013 and April 2014, the Respondent also obtained and maintained six blank pre-signed account forms in respect of five client accounts.

13. The six blank pre-signed forms were comprised of:

i) Four CCRA Direct Transfer Forms;

ii) One Sun Life Transfer Authorization Form; and
iii) One Signature Form for Electronic Application.

Member Response

14. In May 2014, Sun Life reviewed all of the client files maintained by the Respondent. Sun Life did not detect any use of pre-signed account forms beyond that described in paragraphs 10 to 13, above.

15. On September 5, 2014, audit letters were mailed to all clients for whom pre-signed account forms were located, enclosing copies of active mutual fund account statements, and requesting responses regarding any unauthorized activity. No clients responded to raise concerns about their accounts.

16. On September 18, 2014, Sun Life issued a warning letter to the Respondent and placed him under close supervision for a period of 12 months commencing September 1, 2014. During the period of close supervision, all mutual fund transactions undertaken by the Respondent, were subject to review. Sun Life conducted random audits of the client accounts maintained by the Respondent, as well as quarterly audits of his branch office. No compliance concerns arose as a result.

Additional Factors

17. The Respondent has no prior disciplinary history with the MFDA.

18. There is no evidence of misappropriation, unauthorized trading, or client harm in this matter.

19. There is no evidence that the Respondent received any financial benefit from engaging in the misconduct beyond the commissions or fees to which the Respondent would have been ordinarily entitled had the transactions in the clients' accounts been carried out in the proper manner.

20. The Respondent has cooperated fully with Staff during the course of the investigation, and by agreeing to this settlement, has avoided the necessity of a full hearing on the merits.

21. The Respondent has expressed remorse for his misconduct.

Admission

13. Based on the agreed upon facts set out above, the Respondent admitted that between June 2012 and April 2014, he obtained, maintained and in some cases used to process transactions, 19 blank or partially complete pre-signed account forms in respect of 10 client accounts, contrary to MFDA Rule 2.1.1.

14. He further agreed and consented to the following terms of settlement:

(a) to pay a fine in the amount of $5,000.00, pursuant to Section 24.1.1(b) of By-law No. 1;
(b) to pay costs in the amount of $2,500.00 pursuant to Section 24.2 of By-law No. 1;
(c) to comply in the future with MFDA Rule 2.1.1; and
(d) to attend in person on the date set for the Settlement Hearing.

Analysis

15. As Enforcement Counsel pointed out, the role which a hearing panel performs in a settlement hearing is fundamentally different than the role it performs in a contested hearing. In a settlement hearing, the panel has no authority to add, delete or vary the terms which have been agreed to by the parties and set out in the settlement agreement. Pursuant to Section 24.4.3 of By-law No. 1 a hearing panel presiding at a settlement hearing has only two options: either accept or reject the settlement agreement.

16. In making its determination as to whether to accept a settlement agreement, the panel "… will not reject a settlement unless it views the penalty as clearly falling outside a reasonable range of appropriateness".

Milewski (Re), [1999] IDACD No. 17, as cited in *Sterling Mutuals Inc. (Re),* 2008 LNCMFDA 16 at para.37

17. The Panel in *Sterling Mutuals Inc. (Re), supra,* stated that hearing panels have expressed the view that in general, settlement agreements should be accepted, bearing in mind the following criteria:

> 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 para.36

Appropriateness of the Proposed Penalty

18. The primary goal of securities regulation, whether in the context of a settlement hearing or a contested hearing, is protection of the investor.

> *Breckenridge (Re)*, [2007] MFDA Central Regional Council, File No. 200718, at para.74
>
> *Pezim v British Columbia (Superintendent of Brokers)*, [1994] 2 S.C.R. 557 at paras.59 and 68

19. Other goals include capital market efficiency and ensuring public confidence in the system.

> *Pezim, supra,* at para.59

20. The Panel in *Breckenridge (Re), supra,* said that sanctions "… should be preventative, protective and prospective in nature …" and that in exercising its discretion to impose a penalty, a hearing panel should take 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. the protection of the integrity of the MFDA's enforcement processes.

Breckenridge (Re), supra, at paras.75 & 76

21. The Panel then set out the following additional factors which should be considered by a panel when determining an appropriate penalty:

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 Penalty Guidelines

22. The MFDA Penalty Guidelines ("Penalty Guidelines") are an additional resource that a hearing panel may consult when determining the appropriateness of a penalty which has been agreed to in a settlement agreement.

23. The Penalty Guidelines state that they have been prepared to assist "… Hearing Panels in the fair and efficient imposition of penalties in settled or contested disciplinary proceedings commenced pursuant to s.20 and s.24 of MFDA By-law No. 1".

MFDA *Penalty Guidelines, supra,* p.1

24. The Penalty Guidelines go on to state that although the penalty types and ranges they set out are not binding on a Hearing Panel, they are intended to provide a basis upon which discretion can be exercised by a Panel consistently and fairly, in like circumstances.

25. In cases involving misconduct of the type admitted to in the present case, the Penalty Guidelines recommend consideration of the following penalties and factors:

Penalty type & Range	**Specific Factors to Consider**
• Fine (AP): Minimum of $5,000 • Write or rewrite an appropriate industry course (e.g. IFIC Officers' Partners" and Directors" Court or Canadian Investment Funds Course) • Suspension • Permanent Prohibition in egregious cases	• Nature of the circumstances and conduct • Number of individuals affected • Whether the conduct is likely to bring the individual, the Member or the mutual fund industry into disrepute

Application of the Above Factors in the Present Case

26. The Penalty Guidelines state that in determining appropriate penalties both Staff and Hearing Panels must "… exercise judgment and discretion and consider appropriate aggravating and mitigating factors …".

MFDA *Penalty Guidelines, supra,* at p.1

Aggravating Factor – Nature of the Misconduct: Pre-signed Forms

27. The aggravating factor in this case is the misconduct to which the Respondent has admitted having carried out. The misconduct relates to obtaining, maintaining and in some cases, using to process transactions, 19 blank or partially complete pre-signed account forms in respect of 10 client accounts.

28. This misconduct is serious and, as the Respondent has admitted, constitutes a violation of MFDA Rule 2.1.1.

29. MFDA Rule 2.1.1 sets out the 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 and "… articulates the most fundamental obligations of all registrants in the securities industry".

Breckenridge (Re), supra, at para.71

30. The Rule reads as follows:

> 2.1.1 **Standard of Conduct**. Each Member and each Approved Person of a Member shall:
> (a) deal fairly, honestly and in good faith with its clients;
> (b) observe high standards of ethics and conduct in the transaction of business;
> (c) not engage in any business conduct or practice which is unbecoming or detrimental to the public interest; and
> (d) be of such character and business repute and have such experience and training as is consistent with the standards described in this Rule 2.1.1, or as may be prescribed by the Corporation.

31. Staff pointed out that since October 31, 2007 the MFDA has made clear to Approved Persons that obtaining pre-signed forms from clients is contrary to the obligations required by Rule 2.1.1. Staff referred the Panel to Member Staff Notice 0066, issued by the MFDA on October 31, 2007 and updated on March 4, 2013, which emphasized to Approved Persons and Members that obtaining pre-signed forms from clients was contrary to the obligations imposed by Rule 2.1.1.

32. The dangers posed by pre-signed forms were articulated by the Panel in *Price (Re)*, [2011] MFDA File No. 200814 at paras.122-124 and are as follows:

> 122. Pre-signed forms present a legitimate risk that they may be used by an Approved Person to engage in discretionary trading. …

> 123. At its 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. …
>
> 124. Pre-signed forms also subvert the ability of a Member to properly supervise trading activity. They destroy the audit trail. The presence of the client's signature on a trade form can no longer be taken as confirmation that the client authorized a particular trade. It also compromises the ability of the Member to subsequently investigate and respond to a client complaint concerning the propriety of trading activity in his or her account.

33. Enforcement Counsel was clear to point out that the danger of pre-signed forms is a general one and that there was no allegation of malfeasance or intentional ill will on the part of the Respondent in this case. Staff also submitted that in the circumstances of this case the obtaining, maintaining and subsequent use of pre-signed forms is at the less egregious end of the scale.

Mitigating Factors

34. Weighed against the sole aggravating factor of the seriousness of the misconduct in this case, Staff submitted there were a number of mitigating factors. Those are listed as "Additional Factors" in the Settlement Agreement starting at para.17.

35. Specifically, the Respondent has no disciplinary history with the MFDA.

36. There is no evidence of misappropriation, unauthorized trading or client harm.

37. There is no evidence that the Respondent received any financial benefits from engaging in the misconduct other than the commission or fees to which he would have been ordinarily entitled had the transactions in the clients' accounts been carried out in the proper manner.

38. The Respondent has cooperated fully with Staff throughout the course of the investigation in these proceedings.

39. Finally, the Respondent has expressed remorse for his misconduct.

40. We note as well that the Penalty Guidelines stipulate that in settlement agreements the "agreement as to facts and the admission of wrongdoing that are requirements of any settlement agreement under s.24.4 of By-law No. 1 are usually considered to be mitigating factors since they save the MFDA and affected clients from a lengthy, complicated or expensive hearing".

MFDA *Penalty Guidelines, supra*, p.6

41. Staff submitted that the Respondent's recognition of the seriousness of his misconduct is indicated by his entering into the Settlement Agreement and that in so doing he has accepted responsibility for the misconduct at issue and has acknowledged that it is serious.

42. Staff also reminded the Panel that important additional facts for us to consider are the goals of specific and general deterrence, as identified by the Panel in *Breckenridge (Re), supra*.

43. Staff submitted that the fine of $5,000.00 in this case was sufficient to meet both those goals. It submitted that a fine of $5,000.00 for the specific number of forms at issue was sufficiently significant to deter the Respondent from engaging in this type of misconduct again. As well, the fine sends a message to Approved Persons across the industry that the cost of engaging in this type of misconduct is significant and will deter others in the capital markets from engaging in similar activities.

44. Staff also submitted that the proposed fine is consistent with the recommendations set out in the Penalty Guidelines, based on the number of forms and clients at issue which is towards the lesser end of the range having regard to the facts of this case.

45. Finally, Staff referred the Panel to the following cases which involved similar facts and circumstances, where the Panel determined that a similar penalty was appropriate:

(a) *Kahlon (Re)*, [2015] MFDA File No. 201438, Hearing Panel of the Central Regional Council

(b) *Kujala (Re)*, [2015] MFDA File No. 201423, Hearing Panel of the Pacific Regional Council;

(c) *McKale (Re)*, [2014] MFDA File No. 201333, Hearing Panel of the Central Regional Council;

(d) *Byce (Re)*, [2013] MFDA File No. 201311, Hearing Panel of the Central Regional Council; and

(e) *Golden (Re)*, [2013] MFDA File No. 201218, Hearing Panel of the Prairie Regional Council

46. In summary, Staff submitted that having regard to all of the factors which the Panel should take into consideration, the penalties proposed in the Settlement Agreement are reasonable and proportionate and will deter the Respondent and other Approved Persons from obtaining, maintaining and using pre-signed forms in the future. Acceptance of the Settlement Agreement, it argued, will advance the public interest and the objective of the MFDA to enhance investor protection and ensure high standards of conduct in the mutual fund industry.

47. In a brief submission, counsel for the Respondent also highlighted the fact that the Respondent had co-operated throughout the disciplinary proceedings and as the results of the random audits which the Member conducted during the 12 months when the Respondent was under close supervision demonstrated, starting in September 2014, the Respondent's misconduct has not been repeated.

48. The Panel agrees with the parties' submissions. Taking into consideration all of the factors discussed above which relate to the determination of an appropriate penalty, we find that the penalties proposed in the Settlement Agreement fall within the reasonable range of penalties imposed for breaches of MFDA Rule 2.1.1, having regard to the specific circumstances of this case.

49. Acceptance of this Settlement Agreement will advance the MFDA's objectives to enhance investor protection and strengthen public confidence in the Canadian mutual fund industry by ensuring that high standards of conduct by MFDA Members and Approved Persons, are maintained.

50. For all of the above reasons, we accept the Settlement Agreement which is attached as Appendix "A" to these Reasons.

DATED this 26th day of April, 2016.

"Sherri Walsh"

Sherri Walsh
Chair

"Marc Albert"

Marc Albert
Industry Representative

"James Samanta"

James Samanta
Industry Representative

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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: Shaun Amitabh Goolcharan

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. Staff of the Mutual Fund Dealers Association of Canada ("Staff") and the Respondent, Shaun Goolcharan, 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.

II. JOINT SETTLEMENT RECOMMENDATION

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

4. The Respondent admits that, between June 2012 and April 2014, he obtained, maintained and, in some cases, used to process transactions, 19 blank or partially complete pre-signed account forms in respect of 10 client accounts, contrary to MFDA Rule 2.1.1.

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

i. the Respondent shall pay a fine in the amount of $5,000, pursuant to section 24.1.1(b) of By-law No. 1;
ii. the Respondent shall pay costs in the amount of $2,500, pursuant to section 24.2 of By-law No. 1;
iii. the Respondent shall in the future comply with MFDA Rule 2.1.1; and
iv. the Respondent will attend in person, on the 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".

III. AGREED FACTS

Registration History

7. Since May 23, 2007, the Respondent has been registered in Manitoba as a mutual fund salesperson (now known as a dealing representative) with Sun Life Financial Investment Services (Canada) Inc. ("Sun Life"), a Member of the MFDA.

8. At all material times, the Respondent conducted business in Winnipeg, Manitoba.

Blank and Partially Completed Pre-Signed Account Forms

9. At all material times, Sun Life's policies and procedures prohibited its Approved Persons from using pre-signed account forms.

10. Between June 2012 and March 2014, the Respondent obtained, maintained and used to process transactions, 13 partially complete pre-signed account forms or photocopies of partially complete pre-signed account forms, in respect of eight client accounts.

11. The 13 pre-signed forms were comprised of:

i. Four Transfer Authorization Forms;
ii. One Limited Trade Authorization Form;
iii. Three Sun Life Order Tickets;
iv. Four CCRA Direct Transfer Forms; and
v. One New Account Application Form.

12. Between March 2013 and April 2014, the Respondent also obtained and maintained six blank pre-signed account forms in respect of five client accounts.

13. The six blank pre-signed forms were comprised of:

i. Four CCRA Direct Transfer Forms;
ii. One Sun Life Transfer Authorization Form; and
iii. One Signature Form for Electronic Application.

Member Response

14. In May 2014, Sun Life reviewed all of the client files maintained by the Respondent. Sun Life did not detect any use of pre-signed account forms beyond that described in paragraphs 10 to 13, above.

15. On September 5, 2014, audit letters were mailed to all clients for whom pre-signed account forms were located, enclosing copies of active mutual fund account statements, and requesting responses regarding any unauthorized activity. No clients responded to raise concerns about their accounts.

16. On September 18, 2014, Sun Life issued a warning letter to the Respondent and placed him under close supervision for a period of 12 months commencing September 1, 2014. During the period of close supervision, all mutual fund transactions undertaken by the Respondent were subject to review. Sun Life conducted random audits of the client accounts maintained by the Respondent, as well as quarterly audits of his branch office. No compliance concerns arose as a result.

Additional Factors

17. The Respondent has no prior disciplinary history with the MFDA.

18. There is no evidence of misappropriation, unauthorized trading, or client harm in this matter.

19. There is no evidence that the Respondent received any financial benefit from engaging in the misconduct beyond the commissions or fees to which the Respondent would have been ordinarily entitled had the transactions in the clients' accounts been carried out in the proper manner.

20. The Respondent has cooperated fully with Staff during the course of the investigation, and by agreeing to this settlement, has avoided the necessity of a full hearing on the merits.

21. The Respondent has expressed remorse for his misconduct.

IV. 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.

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:

i. the Settlement Agreement will constitute the entirety of the evidence to be submitted respecting the Respondent in this matter;
ii. the Respondent waives any rights to a full hearing, a review hearing 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;
iii. Staff will not initiate any proceeding under the By-laws of the MFDA against the Respondent in respect of the facts and the 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;
iv. 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
v. 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 26th day of November, 2015.

"Soraijah Mohammed"
Witness – Signature

Soraijah Mohammed
Witness – Print name

"Shaun Goolcharan"
Shaun Goolcharan

"Shaun Devlin"
Staff of the MFDA
Per: Shaun Devlin
Senior Vice-President,
Member Regulation – Enforcement

Mutual Fund Dealers Association of Canada
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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: Shaun Amitabh Goolcharan

ORDER

WHEREAS on [date], the Mutual Fund Dealers Association of Canada (the "MFDA") issued a Notice of Settlement Hearing pursuant to section 24.4 of By-law No. 1 in respect of Shaun Goolcharan (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 By-law No. 1;

AND WHEREAS the Hearing Panel is of the opinion that the Respondent, between June 2012 and April 2014, obtained, maintained and, in some cases, used to process transactions, 19 blank or partially complete pre-signed account forms in respect of 10 client accounts, 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 $5,000, pursuant to section 24.1.1(b) of By-law No. 1;

2. The Respondent shall pay costs in the amount of $2,500, pursuant to section 24.2 of By-law No. 1; and

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 requests production of, or access to, any materials filed in, or the record of, this proceeding, including all exhibits and transcripts, then the MFDA Corporate Secretary shall not provide copies of, or access to, the requested documents to the non-party without first redacting from them any and all intimate financial or 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]