



**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: Laura Caitlin Kowall**

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**NOTICE OF HEARING**

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**NOTICE** is hereby given that a first appearance will take place by teleconference before a hearing panel of the Prairie Regional Council (“Hearing Panel”) of the Mutual Fund Dealers Association of Canada (“MFDA”) on December 13, 2021 at 10:00 a.m. (Central), or as soon thereafter as the appearance can be held, concerning a disciplinary proceeding commenced by the MFDA against Laura Caitlin Kowall (“Respondent”). Members of the public who would like to listen to the teleconference should contact [hearings@mfd.ca](mailto:hearings@mfd.ca) to obtain particulars.

**DATED** this 6<sup>th</sup> day of October, 2021.

“Michelle Pong”

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Michelle Pong  
Director, Regional Councils

Mutual Fund Dealers Association of Canada  
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**NOTICE** is further given that the MFDA alleges the following violations of the By-laws, Rules or Policies of the MFDA:

**Allegation #1:** Between February 2018 and September 2019, the Respondent altered and in some cases, used to process transactions, 21 account forms in respect of 17 clients by altering information on the account forms without having the clients initial the alterations, contrary to MFDA Rule 2.1.1.

**Allegation #2:** Between January 2017 and January 2019, the Respondent obtained, possessed, and used to process transactions, 9 pre-signed account forms in respect of 5 clients, contrary to MFDA Rule 2.1.1.

### **PARTICULARS**

**NOTICE** is further given that the following is a summary of the facts alleged and intended to be relied upon by the MFDA at the hearing:

#### **Registration History**

1. Since January 2018, the Respondent has been registered in Manitoba as a dealing representative with Investia Financial Services Inc. (the “Member”), a Member of the MFDA.
2. At all material times, the Respondent worked as a licensed assistant for Approved Person RW.
3. At all material times, the Respondent conducted business in the Winnipeg, Manitoba area.

#### **Allegation #1 - Altered Account Forms**

4. Between February 2018 and September 2019, the Respondent altered, and in 20 instances, used to process transactions, 21 account forms in respect of 17 clients by altering information on the account forms without having the clients initial the alterations. In some instances, the Respondent used liquid correction fluid to alter information on the account forms.
5. The altered account forms consisted of:
  - a) 1 transfer form;
  - b) 2 investment application forms;
  - c) 13 order instruction forms;

- d) 2 systematic instruction forms;
- e) 1 trade ticket; and
- f) 2 transfer authorization forms.

6. The alterations the Respondent made to the account forms included alterations to dates, amounts, fund names and codes, and clients' net worth.

7. By altering account forms as described above, the Respondent failed to observe high standards of ethics and conduct in the transaction of business and engaged in conduct unbecoming an Approved Person, contrary to MFDA Rule 2.1.1.

### **Allegation #2 - Pre-Signed Account Forms**

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

9. Between January 2017 and January 2019, the Respondent obtained, possessed, and used to process transactions, 9 pre-signed account forms in respect of 5 clients.

10. The pre-signed account forms consisted of:

- a) 3 investment application forms;
- b) 1 order instruction form; and
- c) 5 trade tickets.

11. By obtaining and using pre-signed account forms as described above, the Respondent failed to observe high standards of ethics and conduct in the transaction of business and engaged in conduct unbecoming an Approved Person, contrary to MFDA Rule 2.1.1.

**NOTICE** is further given that the Respondent shall be entitled to appear and be heard and be represented by counsel or agent at the hearing and to make submissions, present evidence and call, examine and cross-examine witnesses.

**NOTICE** is further given that MFDA By-laws provide that if, in the opinion of the Hearing Panel, the Respondent:

- has failed to carry out any agreement with the MFDA;

- has failed to comply with or carry out the provisions of any federal or provincial statute relating to the business of the Member or of any regulation or policy made pursuant thereto;
- has failed to comply with the provisions of any By-law, Rule or Policy of the MFDA;
- has engaged in any business conduct or practice which such Regional Council in its discretion considers unbecoming or not in the public interest; or
- is otherwise not qualified whether by integrity, solvency, training or experience,

the Hearing Panel has the power to impose any one or more of the following penalties:

- a) a reprimand;
- b) a fine not exceeding the greater of:
  - (i) \$5,000,000.00 per offence; and
  - (ii) an amount equal to three times the profit obtained or loss avoided by such person as a result of committing the violation;
- c) suspension of the authority of the person to conduct securities related business for such specified period and upon such terms as the Hearing Panel may determine;
- d) revocation of the authority of such person to conduct securities related business;
- e) prohibition of the authority of the person to conduct securities related business in any capacity for any period of time; and
- f) such conditions of authority to conduct securities related business as may be considered appropriate by the Hearing Panel.

**NOTICE** is further given that the Hearing Panel may, in its discretion, require that the Respondent pay the whole or any portion of the costs of the proceedings before the Hearing Panel and any investigation relating thereto.

**NOTICE** is further given that the Respondent must **serve a Reply** on Enforcement Counsel and **file a Reply** with the Office of the Corporate Secretary within twenty days from the date of service of this Notice of Hearing.

A **Reply** shall be **served** upon Enforcement Counsel at:

Mutual Fund Dealers Association of Canada  
Prairie Regional Office  
Suite 850, 800 – 6th Ave SW  
Calgary, AB T2P 3G3  
Attention: Justin Dunphy  
Email: [jdunphy@mfd.ca](mailto:jdunphy@mfd.ca)

A **Reply** shall be **filed** by:

- a) providing four copies of the **Reply** to the Office of the Corporate Secretary by personal delivery, mail or courier to:

The Mutual Fund Dealers Association of Canada  
121 King Street West, Suite 1000  
Toronto, ON M5H 3T9  
Attention: Office of the Corporate Secretary; or

- b) transmitting one electronic copy of the **Reply** to the Office of the Corporate Secretary by e-mail at [corporatesecretary@mfd.ca](mailto:corporatesecretary@mfd.ca).

A **Reply** may either:

- (i) specifically deny (with a summary of the facts alleged and intended to be relied upon by the Respondent, and the conclusions drawn by the Respondent based on the alleged facts) any or all of the facts alleged or the conclusions drawn by the MFDA in the Notice of Hearing; or
- (ii) admit the facts alleged and conclusions drawn by the MFDA in the Notice of Hearing and plead circumstances in mitigation of any penalty to be assessed.

**NOTICE** is further given that the Hearing Panel may accept as having been proven any facts alleged or conclusions drawn by the MFDA in the Notice of Hearing that are not specifically denied in the **Reply**.

**NOTICE** is further given that if the Respondent fails:

- a) to **serve and file a Reply**; or
- b) attend at the hearing specified in the Notice of Hearing, notwithstanding that a **Reply** may have been served,

the Hearing Panel may proceed with the hearing of the matter on the date and the time and place set out in the Notice of Hearing (or on any subsequent date, at any time and place), without any

further notice to and in the absence of the Respondent, and the Hearing Panel may accept the facts alleged or the conclusions drawn by the MFDA in the Notice of Hearing as having been proven and may impose any of the penalties described in the By-laws.

**END.**

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