



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: Leslie Duncan McIntosh

Heard: May 13, 2013 in Calgary, Alberta
Reasons for Decision: September 4, 2013

REASONS FOR DECISION

Hearing Panel of the Prairie Regional Council:

| | | |
|--------------------------|---|-------------------------|
| Alan V. M. Beattie, Q.C. |) | Chair |
| Nada Israeli |) | Industry Representative |
| Greg Wiebe |) | Industry Representative |

Appearances:

| | | |
|------------------------|---|-----------------------------------------------------------------------------------|
| Shari L. Boyd |) | Enforcement Counsel for the Mutual Fund Dealers Association of Canada (“MFDA”) |
| |) | |
| Patricia West |) | |
| |) | MFDA Investigator – Witness (by Affidavit) |
| Leslie Duncan McIntosh |) | Did not appear either in person or by Counsel |
| |) | |

1. INTRODUCTION

1. This Hearing Panel (“the Panel”) was convened pursuant to a Notice of Hearing dated November 9, 2012, to consider whether alleged violations by Leslie McIntosh (“the Respondent”) of the By-laws, Rules or Policies of the MFDA are proven and, if so, the appropriate penalties to be imposed on the Respondent for the violations.

2. The first appearance in this matter, by teleconference, took place on January 24, 2013, before the Panel. The hearing of this matter on its merits was scheduled to take place on May 13, 2013. Mr. Devlin, Counsel for the Respondent, participated in the first appearance. Mr. Devlin advised that the Respondent was not intending to file a Reply. Neither the Respondent nor Mr. Devlin attended at the Hearing on May 13.

3. At the commencement of the Hearing, the Panel granted a motion by Staff Enforcement Counsel that 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.

4. The Panel members had, prior to the Hearing, reviewed the Affidavit of Patricia West, MFDA Investigator which addressed the allegations set out in the Notice of Hearing and incorporated extensive supporting documentation. At the commencement of the Hearing the Panel Members were provided with written Submissions of Staff of the MFDA and a Book of Authorities. (All quoted passages herein from the Notice of Hearing and the Submissions of Staff contain the paragraph numbers from those documents.)

5. Evidence at the Hearing was presented entirely through the Affidavit of Patricia West which addressed the allegations set out in the Notice of Hearing, supplemented by extensive particulars and documentary evidence. Ms. West was present at the Hearing to address any questions arising from the Affidavit. Pursuant to Rule 1.6 (“Admissibility” of the MFDA Rules of Procedure) the Panel admitted the Affidavit evidence.

2. FAILURE TO ATTEND HEARING

6. Rule 3, subsection 7.3 of the MFDA Rules of Procedure, entitled “Failure to Attend Hearing”, states:

- (1) Where a Respondent fails to attend the hearing on the date and at the time and location specified in the Notice of Hearing, the Hearing Panel may:
 - (a) proceed with the hearing without further notice to and in the absence of the Respondent; and
 - (b) accept the facts alleged and conclusions drawn by the Corporation in the Notice of Hearing as proven and impose any of the penalties and costs described in sections 24.1 and 24.2 respectively of MFDA By-law No. 1.

The Panel directed that the Hearing proceed in the absence of the Respondent.

3. ALLEGATIONS OF MISCONDUCT

7. In the Notice of the Hearing the MFDA alleges the following violations of the By-laws, Rules or Policies of the MFDA:

Allegation #1: Between May 27, 2008 and November 17, 2010, the Respondent engaged in conduct unbecoming an Approved Person and failed to deal fairly, honestly and in good faith with at least 11 clients by misappropriating approximately \$1.6 million from them, all of which he has failed to repay or otherwise account for, contrary to MFDA Rule 2.1.1.

Allegation #2: Between about September 2010 and December 2010, the Respondent interfered with the Member’s reasonable supervisory investigation of the Respondent’s dealings with clients by:

- (a) providing false and misleading information to the Member in the course of its investigation;
- (b) making a payment to client FSC to settle her complaint without informing the Member, and

(c) contacting clients after he was suspended by the Member in an attempt to mislead them as to the status of their investments and influence their understanding of the nature of the Member's investigation.

contrary to MFDA Rule 2.1.1 and MFDA Policy No. 3.

Allegation #3: Commencing on July 6, 2011, the Respondent has failed to comply with requests by the MFDA to attend at the offices of the MFDA to give information about the matters under investigation, contrary to section 22 of MFDA By-law No. 1.

4. PARTICULARS

8. The following is a summary of the facts alleged in the Notice of Hearing and relied upon by the MFDA at the Hearing, reiterated and supplemented in the Affidavit of Patricia West:

Registration History

1. From December 12, 2006 until December 10, 2010, the Respondent was registered in Alberta as a mutual fund salesperson with Dundee Private Investors Inc. ("Dundee"), a Member of the MFDA. (*In the Affidavit of Patricia West additional particulars are provided of the Respondent being registered as a Mutual Fund Salesman in British Columbia from April 9, 2008 until December 10, 2010 and in Saskatchewan from January 4, 2010 until December 10, 2010.*)

2. The Respondent was suspended by Dundee on November 2, 2010 and was terminated on December 10, 2010 as a result of the matters herein described.

3. Prior to his registration with Dundee, the Respondent was registered in Alberta from July 14, 2005 until December 2006 as a mutual fund salesperson with Investors Group Financial Services Inc., a Member of the MFDA.

4. The Respondent is not currently registered in the securities industry in any capacity.

Allegation #1 - Misappropriation

5. Between May 27, 2008 and November 17, 2010, the Respondent misappropriated a total of approximately \$1.6 million from 11 clients of Dundee. The Respondent carried out the misappropriations by directing the clients to provide him with cheques made payable to one of the Respondent's approved (*i.e. registered with Alberta Corporate Registry*) trade names and then depositing the cheques into a bank account which he controlled.

6. On October 31, 2006, the Respondent registered the trade name "McIntosh Wealth Management" with the Alberta Registries Office.
7. On September 18, 2009, the Respondent registered the trade name "Dundee Private" with the Alberta Registries Office.
8. On September 21, 2009, the Respondent opened a bank account in the name of Dundee Private.
9. Between May 2008 and October 2010, the Respondent deposited cheques totaling \$66,078 written by 3 clients and made payable to "McIntosh Wealth" in the bank account he controlled under the name of "Leslie D McIntosh DBA (*doing business as*) McIntosh Wealth": (*One of the cheques was redemption proceeds from the client's account at Dundee.*)
10. Between September 21, 2009 and October 25, 2010, the Respondent deposited cheques totaling \$1,539,439 written by 9 clients (*2 being 2 of the above 3 clients*) and made payable to "Dundee Private" in the bank account he operated under the registered trade name of Dundee Private (the "Dundee Private bank account"). (*8 of the cheques were redemption proceeds from the clients' accounts at Dundee.*)
11. In summary, the Respondent accepted cheques in the total amount of approximately \$1.6 million from at least 3 different clients payable to McIntosh Wealth and from at least 10 different clients payable to Dundee Private.
12. The Respondent led the clients to believe that he was going to use the monies he received from them to purchase investments, such as alternative mutual funds, pooled funds and gold, for their Dundee account or on their behalf.
13. The only deposits the Respondent made in the Dundee Private bank account were the cheques the Respondent received from the clients, as set out above. After the monies were deposited in the Dundee Private bank account, the Respondent transferred the monies to a personal bank account and used the monies for his personal benefit, thereby misappropriating the monies.
14. There is no evidence that the Respondent used any of the monies to purchase investments for the clients.
15. The Respondent repaid client LW \$6,331 of the \$50,000 that client LW had provided to the Respondent using monies the Respondent had received from other clients.
16. In addition, the Respondent withdrew \$57,118 from the Dundee Private bank account in the form of bank drafts payable to 3 clients (*different from the above referenced clients*).
17. The Respondent was the mutual fund salesperson responsible for servicing the accounts of two of those persons, who were clients of Dundee. The third person was not a client of Dundee.

Misleading the clients

18. As described in greater detail below, in order to facilitate and sustain the misappropriation of the clients' monies, the Respondent provided false or misleading written and verbal communications to numerous clients, including fabricating account statements and other documents on Dundee letterhead, for the purposes of leading the clients to believe that their monies had been invested as the Respondent had represented to them it would be.

19. The clients believed that by making their cheques payable to "Dundee Private" (and in one instance to "Power Wealth"), they were writing cheques to Dundee or to an entity affiliated with Dundee. (At all material times, Dundee was unaware that the Respondent was operating a bank account in the name of "Dundee Private").

20. The Respondent provided client GBC with a quarterly account statement for the period ending September 30, 2010 printed on Dundee Wealth Management letterhead. The statement indicated that client GBC's monies had been invested in a single mutual fund in open account DCDA A013167. Dundee has no record of open account DCDA A013167 or an investment in a mutual fund by client GBC.

21. The Respondent provided clients LDZ & LRZ with fabricated account statements which reflected investments in "Power Banner" and in gold on their behalf and on behalf of client LRZ's sister (over whose account clients LDZ & LRZ had trading authority). The Respondent informed clients LDZ & LRZ that Power Banner was a group affiliated with Dundee.

22. Between September 2009 and September 2010 the Respondent fabricated receipts, totalling \$227,000, on Dundee Wealth Management letterhead and provided them to 6 clients in respect of investments (*which were* referenced) that did not exist.

23. In addition, in September 2009, the Respondent provided two handwritten receipts to a client for \$15,000 in respect to investments that he represented he had made on the client's behalf (*but did not make*).

24. Between November 23, 2010 and December 8, 2010, the Member (*Dundee*) compensated 10 of the 11 client whose monies were misappropriated by the Respondent. The Member paid out a total of approximately \$1.8 million in compensation to the 10 clients. As described in greater detail below, the Respondent reimbursed the remaining one client, client FSC, himself on October 15, 2010. (*Dundee filed 12 METS Event Reports with the MFDA between September 30 and December 14, 2010, as set out in the Affidavit of Patricia West, Para. 6.*)

25. By engaging in the conduct described above, the Respondent misappropriated a total of approximately \$1.6 million from clients, all of which he has failed to repay or otherwise account for, contrary to MFDA Rule 2.1.1.

Allegation #2 - Interfering with the Member's investigation

26. On September 12, 2010, client FSC inquired of Dundee about the status of her \$12,000 'gold investment' which did not appear on the account statement prepared for her by Dundee. Client FSC stated that she had provided the Respondent with a bank draft for \$12,000 in September of 2009.

27. Dundee questioned the Respondent about client FSC's inquiry and the Respondent initially denied receiving a bank draft for \$12,000 from client FSC.

28. The Respondent later retracted his initial statement and claimed that in September 2009, client FSC had purchased gold bullion through a broker not affiliated with Dundee. The Respondent refused to disclose to Dundee the name of the broker purportedly used to purchase the gold bullion for client FSC.

29. The Respondent's statements to Dundee were false and intended to mislead Dundee in the course of its investigation.

30. On October 12, 2010, the Respondent met with client FSC at her home. During this meeting, the Respondent had client FSC sign several documents, including one prepared by the Respondent and signed by both the Respondent and FSC which stated:

"I have reviewed the client file andnotes, I have also had the opportunity to discuss with [FSC] her concerns and in fact we have done a full "asset audit".

[FSC] made a purchase into gold bullion in September of 2009, the client purchase was made through a broker and brokerage not associated with Dundee.

[FSC] has no interest or reason to pursue the matter further, [FSC] accepts that the receipt issued on September 21, 2009 was an error and an oversight on my part. [FSC] continues to be a satisfied client".

31. The Respondent presented the documents signed by client FSC to Dundee in an attempt to mislead Dundee in the course of its investigation by persuading Dundee that the complaint was the result of confusion on the part of client FSC.

32. Client FSC does not specifically recall signing the October 12, 2010 document but acknowledges that it is her signature on the document.

33. Client FSC informed Dundee that during the October 12, 2010 meeting with the Respondent, she requested that the gold investment be cashed in and the proceeds returned to her.

34. On October 15, 2010, a bank draft in the amount of \$15,719 was deposited into the bank account of client FSC. The Respondent denied any knowledge of the deposit but the bank account records for the Dundee Private bank account show that on October 14, 2010 a bank draft in the same amount of \$15,719 was issued to client FSC from the account.

35. On October 19, 2010, the Respondent registered the trade name “Power Wealth” with the Alberta Registries Office. At or around the same time, the Respondent changed the name of the Dundee Private bank account to “Power Wealth”.

36. The Respondent was suspended by Dundee on November 2, 2010. (*Between November 8 and December 15, 2010*) after he was suspended, the Respondent contacted at least (*4 clients*) for the purposes of attempting to determine the nature and status of Dundee’s investigation, to influence their understanding of their dealings with him, and to mislead them as to the nature and purpose of Dundee’s investigation. He had one of the clients, AK, sign a document and he indicated to AK that he would refund the client’s investment (*which he did not*).

37. The Respondent contacted several other clients and told them that their investments were intact and that they had no reason to be concerned by Dundee’s investigation.

38. By engaging in the conduct described above, the Respondent interfered with the ability of the Member to conduct a reasonable supervisory investigation of the Respondent’s activities, contrary to MFDA Rule 2.1.1 and MFDA Policy No. 3.

Allegation #3 - Failure to Cooperate

39. As set out below, the Respondent has failed to cooperate with Staff’s investigation into the matters alleged herein, notwithstanding that Staff has made a number of attempts to contact the Respondent in order to arrange for him to attend an interview to provide a statement to Staff:

July 6, 2011: Telephone discussion with Respondent’s legal counsel regarding possible dates for interview of the Respondent. Respondent’s counsel provided several available dates in September and October of 2011.

July 12, 2011: MFDA Staff sent email to Respondent’s counsel requesting confirmation that October 4, 2011 was an acceptable date for the Respondent to be interviewed. Respondent’s counsel responded on July 13, 2011 indicating that he had not yet been able to obtain his client’s instructions regarding his client’s availability for the interview.

July 29, 2011: MFDA Staff sent follow-up email to Respondent’s counsel regarding the Respondent’s availability for the October 4, 2011 interview. Respondent’s counsel indicated he was away from the office and would attempt to obtain his client’s instructions after August 2, 2011 when he returned to the office.

August 5, 2011: MFDA Staff sent further follow-up email to the Respondent’s counsel regarding the interview that was to take place on October 4, 2011. Respondent’s legal counsel responded by email on August 8, 2011 indicating he had yet to obtain instructions from his client in relation to the interview.

August 26, 2011: MFDA Staff sent letter by regular and registered mail to Respondent's legal counsel seeking confirmation of the Respondent's attendance at the interview on October 4, 2011 and providing a deadline for response of September 6, 2011. Respondent's legal counsel responded on September 9, 2011 advising that the Respondent was "not willing to be interviewed and is not prepared to attend for that purpose..."

40. The Respondent has not provided a statement to MFDA Staff.

41. Due to the Respondent's failure to cooperate with the MFDA's investigation, Staff has been unable to determine the full nature and extent of the Respondent's activities including, in particular, whether and to what extent he may have misappropriated monies from other clients and individuals.

42. Commencing July 6, 2011, by failing to attend for an interview with MFDA Staff concerning the matters under investigation, the Respondent has failed to cooperate with an MFDA investigation, contrary to section 22 of MFDA By-law No. 1.

The Notice of Hearing further set out powers of the Panel regarding possible findings against the Respondent and regarding possible imposition of penalties. It also advised requirements of a Reply by the Respondent and the consequences of failure to file a Reply or attend the Hearing.

Counsel for the Respondent acknowledged receipt of the Notice of Hearing on November 19, 2012. As indicated above, neither the Respondent nor his counsel attended the Hearing.

5. SUBMISSIONS OF STAFF OF THE MFDA REGARDING THE ALLEGATIONS OF MISCONDUCT

9. Staff Enforcement Counsel submitted written Submissions and a Book of Authorities. In the written Submissions Counsel referred to the following MFDA Rules of Procedure, MFDA Rule, MFDA Policy and MFDA By-laws:

- Rules of Procedure 1.6 & 1.8 (*Admissibility of Evidence & Hearings Open to the Public*)
- Rules of Procedure 8.4 & 13.4 (*Effect of Failure to File a Proper Reply & Evidence by Sworn Statement*)
- MFDA Rule 2.1.1 (*Standard of Conduct*)
- MFDA Policy No. 3 (*Complaint Handling, Supervisory Investigations and Internal Discipline*)
- By-law No. 1 section 21 (*Power to Conduct Examinations and Investigations*)

- By-law No. 1 section 22 (*Failure to Cooperate*)
- By-law No. 1 section 24.1.1 (*Power of Hearing Panel to Discipline - Approved Persons*)
- Bylaw No. 1 section 24.2 (*Costs*)

10. The evidence adduced at the Hearing was, pursuant to MFDA Rule of Procedure 1.6, the extensive Affidavit of Patricia West with very extensive supporting documentation. Counsel referred to the following passage from the Decision of the Prairie Regional Council in Arnold Tonnies, MFDA File No. 200503 dated June 27, 2005 at p. 7:

Although such evidence may be admitted by us pursuant to the Rules, it is important for the Panel to exercise caution when relying upon hearsay evidence on matters that are integral to the allegations before us. Even though in this case none of the evidence was challenged by Mr. Tonnies, as he did not appear either personally or through counsel, the Panel must be satisfied that the evidence supports the allegations of misconduct made against him.

11. Regarding the allegations of misconduct Counsel referred to the following decisions:

Kenneth Roy Breckenridge, Central Regional Council Decision dated November 14, 2007, MFDA File No. 200718, at p. 20

Stephan Headley, Ontario Regional Council Decision dated February 21, 2006, MFDA File No. 200509, at p. 21

Kevin Debois, Central Regional Council Decision dated March 16, 2010, MFDA File No. 200822, at para. 7

Tonnies (*supra*, at pp. 19, 20)

Wayne Larson, Prairie Regional Council Decision dated October 14, 2009, MFDA File No. 200806, at p. 20

6. REASONS FOR DECISION REGARDING MISCONDUCT

12. The Panel advised, at the Hearing, that we accepted the facts alleged and conclusions drawn in the Notice of Hearing, and are satisfied that the allegations of misconduct have been proven.

7. SUBMISSIONS OF STAFF OF THE MFDA REGARDING PENALTIES

13. Staff Enforcement Counsel submitted written Submissions and a Book of Authorities. In the written Submissions Counsel made the following submissions regarding “Factors Concerning Appropriateness of Penalty” (paragraph numbers are from the written Submissions):

29. The primary goal of securities regulation is the protection of the investing public. In addition to this primary goal, securities regulation is concerned with ensuring market efficiency and maintaining public confidence in the system as a whole.

Pezim v British Columbia (Superintendent of Brokers), [1994] 2 SCR 557, 1994 CanLii 103 (SCC) at p. 38

30. There are numerous factors that should be taken into account in determining the appropriate penalty to be imposed on a person who contravenes MFDA By-laws, Rules and Policies. “[S]anctions imposed in the securities regulatory context should be protective and preventative, intended to be exercised to prevent likely future harm to the capital markets. [citation omitted]”

Tonnies, supra at pp. 21, 22

31. General deterrence should also be considered in determining an appropriate sanction.

Cartaway Resources Corp. [2004] 1 SCR 672 at paras. 4 and 64

33. MFDA Hearing Panels generally take into account the following factors in determining what is an appropriate penalty:

- The seriousness of the allegations proved against the Respondent;
- The Respondent’s past conduct, including prior sanctions;
- The Respondent’s experience and level of activity in the capital markets;
- Whether the Respondent recognizes the seriousness of the improper activity;
- The harm suffered by investors as a result of the Respondent’s activities;
- The benefits received by the Respondent as a result of the improper activity;
- The risk to investors and the capital markets in the jurisdiction, were the Respondent to continue to operate in the jurisdiction;

- The damage caused to the integrity of the capital markets in the jurisdiction by the Respondent's improper activities;
- 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;
- The need to alert others to consequences of inappropriate activities to those who are permitted to participate in capital markets; and
- Previous decisions made in similar circumstances.

Tonnies, supra at p. 23

34. An additional factor for a Hearing Panel to consider in determining the appropriate penalty to be imposed upon a Respondent in a disciplinary proceeding is the MFDA Penalty Guidelines. The MFDA Penalty Guidelines are not mandatory but rather provide a suggestion of the types and ranges of penalties that may be appropriate for particular case types.

35. The MFDA Penalty Guidelines recommend consideration of the following penalties fraud/or an Approved Person:

- Forgery/Fraud/Theft/Misappropriation/Misapplication contraventions: fine - minimum of \$25,000; permanent prohibition in almost all cases; Fine should include the amount of financial benefit to the Respondent;
- Standard of Conduct contraventions: fine - minimum of \$5,000; write or re-write an appropriate industry course; suspension; permanent prohibition in egregious cases;
- Complaint Handling contraventions: fine - minimum of \$5,000; write or re-write an appropriate industry course; suspension; permanent prohibition in egregious cases;
- Failure to Cooperate contraventions: fine - minimum of \$50,000, permanent prohibition.

NATURE OF MISCONDUCT

37. Approved Persons carry on a business which is based upon the trust of clients and clients rely upon them to act in accordance with MFDA Rules and Policies. Therefore, the penalties imposed for failing to do so should reflect the gravity of the breaches and the importance of maintaining the trust of clients and the public generally in Approved Persons of the MFDA.

Hill & Crawford Investment Management Group Ltd., Central Regional Council Decision dated June 23, 2009, MFDA File No. 200834, at paras. 3, 4

38. The misappropriation of client funds is serious misconduct and the activities undertaken after the Member received a complaint were an attempt to

subvert the Member's ability to fully investigate his misconduct and to hide the true nature of the activity.

39. The Respondent's failure to cooperate demonstrates his unwillingness to comply with the regulations of the securities industry and the necessity of participants within the industry to provide a timely response to requests of regulators to assist in investigations. Such conduct demonstrates a fundamental breach of the Respondent's obligations and undermines Staff's ability to determine the full nature and extent of the Respondent's involvement in the activities underlying the allegations made against him.

CLIENT HARM

40. In total, the Respondent misappropriated \$1,605,517.60 from the clients involved.

41. The Respondent paid one client, FSC, \$15,719 as the refund of her \$10,000 initial investment plus the purported gain on her investment. The Member refunded the remainder of the clients affected by the Respondent's misconduct.

14. Counsel also referred to the fact that the Respondent had not previously been the subject of any MFDA disciplinary proceedings, that he was an experienced registrant and ought to have known that his activities were in contravention of MFDA By-laws, Rules and Policies, that in not cooperating with the MFDA investigation he has acknowledged to staff the seriousness of the matter, the misappropriation of approximately \$1.6 million, the vast majority of which he used for his own personal benefit, and deterrence of others in the capital markets from engaging in similar activity.

15. Counsel submitted that the penalties proposed are appropriate and consistent with the Penalty Guidelines. She relied on previous decisions made in similar circumstances, referring to the following cases:

Lorne Henry, Ontario Regional Council Decision dated May 29, 2007, MFDA File No. 200702

Earl Crackower, Ontario Regional Council Decision dated August 22, 2005, MFDA File No. 200506

Ernest Ming Chung Lo, Ontario Regional Council Decision dated April 3, 2006, MFDA File No. 200512, at p. 21

8. REASONS FOR DECISION REGARDING PENALTIES

16. At the conclusion of the Hearing the Panel declared, and now confirms, that the penalties proposed by MFDA Staff are accepted as being reasonable and proportionate. The Panel considers the proposed penalties to be consistent with previous decisions and consistent with the MFDA Penalty Guidelines.

17. The misconduct of the Respondent was extremely egregious and demands severe penalties. As in the *Crackower* decision, and other decisions, regarding the fine:

[g]enerally speaking, ..., with respect to misappropriation and borrowing money from clients, the fine should roughly equal the amounts misappropriated or borrowed...

There can be no doubt that there must be a permanent prohibition of the Respondent to conduct securities related business.

18. Accordingly, we confirm our decision given at the conclusion of the Hearing, that the following penalties proposed by MFDA Staff, are imposed on the Respondent:

- a) A permanent prohibition on the authority of the Respondent to conduct securities related business in any capacity while in the employee of or associated with any MFDA Member, pursuant to section 24.1.1(e) of MFDA By-law No. 1;
- b) A fine in the amount of \$1.6 million related to allegation #1 and #2 and a fine in the amount of \$50,000 in relation to allegation #3; and
- c) Costs attributable to conducting the investigation and hearing in this matter in the amount of \$10,000 pursuant to section 24.2 of MFDA By-law No. 1.

19. At the conclusion of the Hearing we signed an Order confirming the foregoing.

DATED this 4th day of September, 2013.

“Alan V. M. Beattie”

Alan V. M. Beattie, Q.C.,
Chair

“Nada Israeli”

Nada Israeli,
Industry Representative

“Greg Wiebe”

Greg Wiebe,
Industry Representative

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