



Now New Self-Regulatory Organization of Canada, a consolidation of IIROC and the MFDA

**IN THE MATTER OF
THE MUTUAL FUND DEALER RULES**

Re: Nazim Mohammed

ORDER

(ARISING FROM THE SETTLEMENT HEARING ON JANUARY 19, 2023)

WHEREAS on October 19, 2022, the Mutual Fund Dealers Association of Canada (the “MFDA”) provided notice to the public of a Settlement Hearing in respect of Nazim Mohammed (the “Respondent”);

AND WHEREAS the Respondent entered into a settlement agreement with Staff of the MFDA, dated October 7, 2022 (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 MFDA By-law No. 1;

AND WHEREAS on December 31, 2022, the Respondent ceased to be registered in the securities industry in any capacity;

AND WHEREAS based upon the admissions of the Respondent in the Settlement Agreement, the Hearing Panel is of the opinion that:

- a) In July 2014, the Respondent failed to use due diligence to learn the essential facts relative to clients RM and LM and accurately record the essential facts on Know-Your-Client (“KYC”) information Forms, contrary to MFDA Rules 2.2.1 and 2.1.1;

- b) In July 2014, the Respondent recommended that clients RM and LM borrow monies from the cash values of their life insurance policies and that LM use the proceeds to purchase a mutual fund without using due diligence to ensure that the recommendation was suitable for the clients, contrary to MFDA Rules 2.2.1 and 2.1.1; and
- c) In July 2014, the Respondent recommended that client LM purchase a mutual fund that was subject to a 7-year deferred sales charge schedule without using due diligence to ensure that the recommendation was suitable for client LM, contrary to MFDA Rules 2.2.1 and 2.1.1.

IT IS HEREBY ORDERED THAT the Settlement Agreement is accepted, as a consequence of which:

1. The Respondent shall be suspended from conducting securities related business in any capacity while in the employ of or associated with any Dealer Member registered as a mutual fund dealer (formerly Members of the MFDA) for a period of 2 years from the date that this Settlement Agreement is accepted by the Hearing Panel, pursuant to section 24.1.1(e) of MFDA By-law No.1;
2. The Respondent shall pay a fine in the amount of \$15,000, pursuant to s. 24.1.1(b) of MFDA By-law No. 1, which shall be payable in certified funds on the date that this Settlement Agreement is accepted by the Hearing Panel;
3. The Respondent shall pay costs in the amount of \$5,000, pursuant to s. 24.2 of MFDA By-law No. 1, which shall be payable in certified funds on the date that this Settlement Agreement is accepted by the Hearing Panel; 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 Corporate Secretary's Office, Mutual Fund Division of the Corporation 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 MFDA *Rules of Procedure*.

DATED this 19th day of January, 2023.

“Paul Moore”

Paul Moore, K.C.
Chair

“Michael-Murray Coulter”

Michael-Murray Coulter
Industry Representative

“Brigitte J. Geisler”

Brigitte J. Geisler
Industry Representative

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