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Canadian Investment
Regulatory
Organization

Organisme canadien
de réglementation
des investissements

Order

File No. 202260

IN THE MATTER OF
THE MUTUAL FUND DEALER RULES
and
Seongho (Steve) Park

ORDER

WHEREAS on November 24, 2022, the Mutual Fund Dealers Association of Canada (the “MFDA”) issued a Notice of Hearing pursuant to sections 20 and 24 of MFDA By-law No. 1 (now Mutual Fund Dealer Rules 7.3 and 7.4) in respect of a disciplinary proceeding commenced against Seongho (Steve) Park (the “Respondent”);

AND WHEREAS on January 1, 2023, the MFDA and the Investment Industry Regulatory Organization of Canada (“IIROC”) consolidated to form the New Self-Regulatory Organization of Canada (the “Corporation”);

AND WHEREAS a first appearance was held by videoconference before a Hearing Panel of the Pacific District Hearing Committee of the Corporation (the “Hearing Panel”) in this matter on February 22, 2023;

AND WHEREAS the Respondent entered into a settlement agreement with Staff of the Corporation dated April 24, 2023 (the “Settlement Agreement”), in which the Respondent agreed to a proposed settlement of matters for which the Respondent could be disciplined pursuant to sections 20 and 24.1 of MFDA By-law No. 1 (now Mutual Fund Dealer Rules 7.3 and 7.4.1);

AND WHEREAS on June 28, 2023, the Corporation provided notice to the public of a Settlement Hearing in respect of the Respondent;

AND WHEREAS Staff and the Respondent made a joint request pursuant to Rules 1.5 and 2.2(1)(a) of the Mutual Fund Dealer Rules of Procedure (the “ROP”) for the abridgement of the 10-day notice period required by Rule 15.2 of the ROP in order to permit the Hearing Panel to proceed with the Settlement Hearing on June 29, 2023 as scheduled;

AND WHEREAS based upon the admissions of the Respondent in the Settlement Agreement, the Hearing Panel is of the opinion that between August 2016 and May 2017, the Respondent opened a new Tax-Free-Savings-Account and processed two mutual fund purchases in respect to a client who was a non-resident of Canada, which the Respondent was not permitted to do pursuant to the policies and procedures of the Member, and MFDA Rules 2.2.1, 2.1.1 and 1.1.2 (as it relates to MFDA Rule 2.5.1) (now Mutual Fund Dealer Rules 2.2.1(1), 2.1.1, 1.1.2 and 2.5.1)

IT IS HEREBY ORDERED THAT the 10-day notice period required by Rule 15.2 of the ROP is abridged in accordance with Rules 1.5 and 2.2(1)(a) of the ROP and the Settlement Agreement is accepted, as a consequence of which:

1. The Respondent shall pay a fine in the amount of \$10,000 in certified funds on the date of this Order, pursuant to s. 24.1.1(b) of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.1.1(b));
2. The Respondent shall pay costs in the amount of \$5,000 in certified funds on the date of this Order, pursuant to s. 24.2 of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.2);
3. The Respondent shall in the future comply with Mutual Fund Dealer Rules 2.2.1, 2.1.1, 1.1.2 and 2.5.1 (formerly MFDA Rules 2.2.1, 2.1.1, 1.1.2 and 2.5.1); and
4. If at any time a non-party to this proceeding, with the exception of the bodies set out in Mutual Fund Dealer Rule 6.3, requests production of or access to exhibits in this proceeding that contain personal information as defined by the Corporation’s Privacy

Policy, then the Corporate Secretary's Office, Mutual Fund Dealer 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 the Mutual Fund Dealer Rules of Procedure.

DATED this 29th day of June, 2023.

Susan Ross,
Chair

Barbara Fraser,
Industry Representative

Darryl Gossen,
Industry Representative