



File #200708

**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: MARY ELIZABETH RYGIEL

DISCIPLINARY HEARING

Heard: June 25, 2007

Hearing Panel of the Central Regional Council:

The Hon. John B. Webber, Q.C. Chair
Sandy Grant, Panel Member
Guenther Kleberg, Panel Member

Appearances:

H.C. Clement Wai) For the Mutual Fund Dealers Association of Canada

Ellen J. Bessner) Counsel for the Respondent, Mary Elisabeth Rygiel

DECISION AND REASONS

By Notice of Settlement Hearing dated the 12th day of June 2007, a hearing panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada (MFDA) was convened to consider whether pursuant to Section 24.4 of By-Law #1 of the MFDA, the Panel should accept a Settlement Agreement entered into by the staff of the MFDA and the Respondent, Mary Elizabeth Rygiel.

At the outset of the proceedings, we considered a joint Motion by Staff and the Respondent to move the proceedings “in camera”. We granted that motion. We then considered the provisions of the Settlement Agreement aided by submissions as to the applicable law which should guide this panel in determining whether to accept or reject the Settlement Agreement. We heard submissions as to why this particular Settlement Agreement met the appropriate criteria. After deliberation we unanimously concluded that it was appropriate to accept the Settlement Agreement.

As a Panel, we are obviously concerned with the type of conduct which is reflected in the Settlement Agreement. We believe, however, that the Settlement Agreement fairly addresses the concerns that we have.

In determining whether the Settlement Agreement should be accepted, we have considered a number of factors. These include the following:

1. We have considered the public interest and whether the penalty imposed will protect investors.
2. We have considered whether the Settlement Agreement is reasonable and proportionate, having regard to the conduct of the Respondent as set out in the Settlement Agreement.
3. We have considered whether the Settlement Agreement addresses the issues of both specific and general deterrence.

4. We have considered whether the proposed settlement will prevent the type of conduct which is set out in the Settlement Agreement, from occurring again in the future.
5. We have considered whether the Settlement Agreement will foster confidence in the integrity of the Canadian Capital Markets.
6. We have considered whether the Settlement Agreement will foster confidence in the integrity of the Mutual Fund Dealers Association of Canada.
7. Finally, we have considered whether the Settlement Agreement will foster confidence in the regulatory process itself.

We believe that each and every one of these factors is dealt with in an appropriate fashion by the Settlement Agreement.

We were advised by counsel for the MFDA that there were a number of mitigating factors which are as follows:

1. The Respondent co-operated with the investigators and the settlement of the issues.
2. The admissions made by the Respondent reduced cost and time involved and led to certainty as to the procedures to be followed.
3. JF, notwithstanding being a previously qualified person, voluntarily ceased to be registered to conduct securities related business during the period in question.
4. The Respondent received no direct or indirect financial benefit in her capacity as a supervisor and president from the business generated by JF during the relevant period.
5. The Respondent has no past disciplinary history with the MFDA.

6. The Respondent's misconduct has not caused any financial loss to clients.

For all these reasons, we have accepted the Settlement Agreement and have signed the Order as requested which implements the settlement as found in paragraph 20 of the Settlement Agreement.

DATED at Toronto, this 25th day of June, 2007.

"John B. Webber"

The Hon. John B. Webber, Q.C., Chair

"Sandy Grant"

Sandy Grant, Panel Member

"Guenther Kleberg"

Guenther Kleberg, Panel Member

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