

## Notice of Settlement Hearing

File No. 202313



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

**IN THE MATTER OF  
THE MUTUAL FUND DEALER RULES<sup>i</sup>  
and**

**Stephanie Vaarsi**

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## **NOTICE OF SETTLEMENT HEARING**

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**NOTICE** is hereby given that a hearing will be held electronically by videoconference before a hearing panel of the Ontario District Hearing Committee (the “Hearing Panel”) of the New Self-Regulatory Organization of Canada (the “Corporation”) on June 19, 2023 at 11:00 a.m. (Eastern), or as soon thereafter as the hearing can be held, to consider whether, pursuant to Mutual Fund Dealer Rule 7.4.4, the Hearing Panel should accept the settlement agreement (the “Settlement Agreement”) entered into between Staff of the Corporation and Stephanie Vaarsi (the “Respondent”).

The subject matter of the proposed Settlement Agreement concerns matters for which the Respondent may be disciplined as an Approved Person of the Corporation, pursuant to Rules 7.3 and 7.4.1.1 of the Mutual Fund Dealer Rules.

## PARTICULARS

1. The proposed Settlement Agreement concerns the allegation that between May 24, 2016 and November 6, 2018, the Respondent altered 26 account forms in respect of 22 clients by altering information on the account forms without having the client initial the alterations, contrary to Mutual Fund Dealer Rule 2.1.1 (formerly MFDA Rule 2.1.1).<sup>ii</sup>
  
2. Settlement hearings of the Corporation are typically held in the absence of the public pursuant to Mutual Fund Dealer Rule 7.3.5 and Rule 15.2(2) of the Mutual Fund Dealer Rules of Procedure. If the Hearing Panel accepts the settlement agreement, then the proceeding will become open to the public and a copy of the decision of the Hearing Panel and the settlement agreement will be made available at [www.mfda.ca](http://www.mfda.ca).

**DATED** this 31<sup>st</sup> day of May, 2023.

“Michelle Pong”

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Michelle Pong  
Director, District Hearing Committees,  
Mutual Fund Division

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<sup>i</sup> On January 1, 2023, the Investment Industry Regulatory Organization of Canada (“IIROC”) and the Mutual Fund Dealers Association of Canada (the “MFDA”) were consolidated into a single self-regulatory organization recognized under applicable securities legislation. The New Self-Regulatory Organization of Canada (referred to herein as the “Corporation”) adopted interim rules that incorporate the pre-amalgamation regulatory requirements contained in the rules and policies of IIROC and the by-law, rules and policies of the MFDA (the “Interim Rules”). The Interim Rules include (i) the Investment Dealer and Partially Consolidated Rules, (ii) the UMIR and (iii) the Mutual Fund Dealer Rules. These rules are largely based on the rules of IIROC and certain by-laws, rules and policies of the MFDA that were in force immediately prior to amalgamation. Where the rules of IIROC and the by-laws, rules and policies of the MFDA that were in force immediately prior to amalgamation have been incorporated into the Interim Rules, Enforcement Staff have referenced the relevant section of the Interim Rules. Pursuant to Mutual Fund Dealer Rule 1A and s.14.6 of By-Law No.1 of the Corporation, contraventions of former MFDA regulatory requirements may be enforced by the Corporation.

<sup>ii</sup> At the time of the conduct addressed in this proceeding, MFDA Rule 2.1.1 was in effect and is now incorporated into Mutual Fund Dealer Rule 2.1.1 referred to in this proceeding.