



Mutual Fund Dealers Association of Canada
Association canadienne des courtiers de fonds mutuels

**IN THE MATTER OF A SETTLEMENT
PURSUANT TO SECTION 24.4 OF BY-LAW NO. 1 OF
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

Re: Tamera Jean Williams and Todd Russell Williams

Heard: August 2, 2018 in Calgary, Alberta

Decision: August 2, 2018

Reasons for Decision: August 30, 2018

REASONS FOR DECISION

Hearing Panel of the Prairie Regional Council:

Shelley L. Miller, QC
Howard Mix
Richard Sydenham

Chair
Industry Representative
Industry Representative

Appearances:

Justin Dunphy)	Enforcement Counsel for the Mutual Fund
)	Dealers Association of Canada
)	
)	
Tamera Jean Williams)	Respondents, in person
Todd Russell Williams)	
)	

Background

1. This matter concerns a Settlement Hearing under Section 24.4 of By-Law No. 1 of the Mutual Fund Dealers Association of Canada (“MFDA”). The hearing was held on August 2, 2018. The full Settlement Agreement dated June 9, 2018 entered into between the Respondents Tamera Jean Williams and Todd Russell Williams (“Tamera Williams” and “Todd Williams”) and MFDA Staff on behalf of MFDA is attached as Appendix A to these reasons for decision and its relevant provisions will not be repeated in detail here.
2. The Respondent Tamera Williams has been registered at various times as a mutual fund dealing representative since March 2009.
3. The Respondent Todd Williams has been registered as a mutual fund dealing representative since April 2011.
4. Under the Settlement Agreement, the Respondent Tamera Williams has admitted that:
 - a) on or about June 13, 2015, she altered information on an account form that had been previously signed by a client and used in a previous transaction in order to process a new transaction in the client’s account, contrary to MFDA Rule 2.1.1;
 - b) between April 2012 and September 2016, she falsified 89 account forms in respect of 43 clients by altering information on the account forms without having the clients initial the alterations, contrary to MFDA Rule 2.1.1; and
 - c) between July 2011 and February 2016, she obtained, possessed, and in some instances, used 18 pre-signed account forms in respect of 11 clients to process transactions, contrary to MFDA Rule 2.1.1.
5. Under the Settlement Agreement, the Respondent, Todd Williams, has admitted that:
 - a) on or about January 8, 2013, he altered information on an account form that had been previously signed by a client and used in a previous transaction in order to process a new transaction in the client’s account, contrary to MFDA Rule 2.1.1;

- b) between August 2011 and July 2016, he falsified 24 account forms in respect of 21 clients by altering information on the account forms without having the clients initial the alterations, contrary to MFDA Rule 2.1.1; and
- c) between July 2011 and March 2016, he obtained, possessed, and in some instances, used 14 pre-signed account forms in respect of 10 clients to process transactions, contrary to MFDA Rule 2.1.1.

Terms of Settlement

6. Under the terms of the Settlement Agreement, the Respondents have agreed to the following penalties:

- a) a fine of \$15,000 with respect to Tamera Williams;
- b) a 6 month suspension with respect to Tamera Williams;
- c) a fine of \$12,500 with respect to Todd Williams, and
- d) costs of \$2,500, paid by the Respondents jointly and severally.

7. At the conclusion of the August 2, 2018 hearing, this Hearing Panel accepted the proposed Settlement Agreement with reasons to follow, which are now set out below.

Agreed Facts

8. From March 13, 2009 to May 15, 2009, and from March 2, 2011 to March 9, 2017, the Respondent Tamera Williams was registered in Alberta as a mutual fund salesperson (now known as a dealing representative) with Sun Life Financial Investment Services (Canada) Inc. (“Sun Life”), a Member of the MFDA.

9. From April 29, 2011 to March 9, 2017, the Respondent Todd Williams was registered in Alberta as a dealing representative with Sun Life. At all material times, the Respondent Todd Williams worked as an assistant for the Respondent Tamera Williams.

10. On or about March 9, 2017, the Respondents' registration with Sun Life was terminated as a result of the matters which are the subject of this Settlement Agreement.

11. The Respondents are not currently registered in the securities industry in any capacity.

12. At all material times, the Respondents conducted business in the Turner Valley, Alberta area.

Falsified Account Forms

13. On or about June 13, 2015, the Respondent Tamera Williams used liquid correction fluid to alter the client and advisor signature dates on a pre-authorized chequing form that had been previously signed by a client and used in a previous transaction in order to process a new pre-authorized contribution of \$16,000 in a client's account.

14. On or about January 8, 2013, the Respondent Todd Williams used liquid correction fluid to alter the client signature date on an order ticket that had been previously signed by a client and used in a previous transaction in order to process a new transaction in the client's account.

15. At all material times, Sun Life's policies and procedures prohibited its Approved Persons, including the Respondents, from obtaining, holding, or using falsified account forms.

16. Between April 2012 and September 2016, the Respondent Tamera Williams falsified 89 account forms in respect of 43 clients by either crossing out information on the account forms and altering them, or by using liquid correction fluid to alter information on the account forms, all without having the clients initial the alterations.

17. The 89 falsified account forms consisted of:

- a) 1 client consent form for electronic delivery;
- b) 30 Know Your Client ("KYC") forms;
- c) 1 dealer of record change form;

- d) 10 education savings plan application forms;
- e) 7 Limited Trade Authorization (“LTA”) forms;
- f) 5 order tickets;
- g) 9 pre-authorized chequing forms;
- h) 19 new account application forms;
- i) 1 termination benefit statement form, and
- j) 6 transfer authorization forms.

18. In 76 instances, the Respondent Tamera Williams submitted the falsified forms to Sun Life for processing.

19. Between August 2011 and July 2016, the Respondent Todd Williams falsified 24 account forms in respect of 21 clients by either crossing out information on the account forms and altering them, or by using liquid correction fluid to alter information on the account forms, all without having the clients initial the alterations.

20. The 24 falsified account forms consisted of:

- a) 14 KYC forms;
- b) 2 LTA forms;
- c) 4 order tickets;
- d) 3 new account application forms, and
- e) 1 signature form for electronic delivery.

21. In 16 instances, the Respondent Todd Williams submitted the falsified forms to Sun Life for processing.

Pre-Signed Account Forms

22. At all material times, Sun Life’s policies and procedures prohibited its Approved Persons, including the Respondents, from obtaining, holding, or using pre-signed account forms.

23. Between July 2011 and February 2016, the Respondent Tamera Williams obtained, possessed, and in 9 instances, used to process transactions, 18 pre-signed account forms in respect of 11 clients.

24. The pre-signed forms consisted of:

- a) 1 appointment of beneficiary form;
- b) 3 KYC forms;
- c) 1 LTA form;
- d) 1 name change form;
- e) 6 order tickets;
- f) 2 pre-authorized contribution forms;
- g) 1 T2203 direct transfer form;
- h) 2 transfer authorization forms, and
- i) 1 public service pension plan transfer form.

25. Between July 2011 and February 2016, the Respondent Todd Williams obtained, possessed, and in 4 instances, used to process transactions, 14 pre-signed account forms in respect of 10 clients.

26. The pre-signed forms consisted of:

- a) 1 account application form;
- b) 1 account linking agreement form;
- c) 3 KYC forms;
- d) 6 order tickets;
- e) 1 direct transfer form, and
- f) 2 transfer authorization forms.

Sun Life's Investigation

27. In August 2016, Sun Life identified 3 account forms with liquid correction fluid in the Respondents' client files as a result of a branch audit. Sun Life subsequently commenced an investigation and identified the remaining falsified and pre-signed account forms that are the subject of this Settlement Agreement.

28. Effective October 12, 2016, Sun Life placed the Respondent Tamera Williams on close supervision for a period of 6 months. Effective December 1, 2016, Sun Life placed the Respondent Todd Williams on close supervision for a period of 6 months.

29. On or about December 22, 2016, Sun Life sent letters to all of the clients whose accounts were serviced by the Respondents in order to determine whether the transactions in the clients' accounts were authorized. The clients did not report any concerns.

30. On or about March 9, 2017, the Respondents' registrations with Sun Life were terminated as result of the matters which are the subject of this Settlement Agreement.

Additional Factors

31. There is no evidence that the Respondents received any financial benefit from engaging in the misconduct described above beyond any commissions and fees that they would ordinarily be entitled to receive had the transactions been carried out in the proper manner.

32. There is no evidence of any client loss or that the transactions were unauthorized.

33. The Respondents have not previously been the subject of MFDA disciplinary proceedings.

34. The Respondents state that the use of the forms as described above was for the purposes of client convenience and not with the intent of causing client harm.

35. By entering into this Settlement Agreement, the Respondents have saved the MFDA the time, resources, and expenses associated with conducting a full hearing of the allegations.

Analysis

36. This Hearing Panel concluded that the allegations admitted by the Respondents had been proven and constitute misconduct in contravention of the By-law and MFDA Rules. It then turned to the question of the appropriateness of the proposed penalty as set out in the Settlement Agreement.

37. This Hearing Panel is aware that its responsibility is to either accept the settlement agreement or reject it, as stated by the MFDA Hearing Panel in *Sterling Mutuals Inc. (Re)*, citing the I.D.A. Ontario District Council in *Milewski (Re)*:

“We also note that while in a contested hearing the Panel attempts to determine the correct penalty, in a settlement hearing the Panel “will tend not to alter a penalty that it considers to be within a reasonable range, taking into account the settlement process and the fact that the parties have agreed. It will not reject a settlement unless it views the penalty as clearly falling outside a reasonable range of appropriateness.” [Emphasis added.]

Sterling Mutuals Inc. (Re), MFDA File No. 200820, Hearing Panel of the Central Regional Council, Decision and Reasons dated September 3, 2008 at para. 37

Milewski (Re), [1999] IDACD No. 17 at p. 10, Ontario District Council Decision dated July 28, 1999.

38. This Hearing Panel is also mindful of the effectiveness of Settlement Agreements in fulfilling the objective of the regulator as noted in the reasons for decision in *British Columbia Securities Commission v Seifert*, 2007 BCCA 484 at para. 31:

“Settlements assist the Commission to ensure that its overriding objective, the protection of the public, is met. Settlements proscribe activities that are harmful to the public. In so doing, they are effective in accomplishing the purposes of the statute. They provide means of reaching a flexible remedy that is tailored to address the interests of both the Commission and the person under investigation.

Enforcement is rarely a concern because the settlement is voluntary. A person who is the subject of an investigation retains the option of refusing to settle and proceeding to a hearing. Settlements are also efficient. Both parties can forego their time and expense of a hearing.”

39. In past cases including *Sterling Mutuals Inc. (Re)*, *supra*, at pp. 8-9 and the decisions cited therein, MFDA hearing panels have taken into account the following considerations when determining whether a proposed settlement should be accepted:

- a) Whether acceptance of the settlement agreement would be in the public interest and whether the penalty imposed will protect investors;
- b) Whether the settlement agreement is reasonable and proportionate, having regard to the conduct of the Respondent as set out in the settlement agreement;
- c) Whether the settlement agreement addresses the issues of both specific and general deterrence;
- d) Whether the settlement agreement will prevent the type of conduct described in the settlement agreement from occurring again in the future;
- e) Whether the settlement agreement will foster confidence in the integrity of the Canadian capital markets;
- f) Whether the settlement agreement will foster confidence in the integrity of the MFDA, and
- g) Whether the settlement agreement will foster confidence in the regulatory process itself.

40. As stated in *Breckenridge (Re)*, MFDA File No. 200718, Hearing Panel of the Central Regional Council, Decision and Reasons dated November 14, 2007, at para. 77, hearing panels frequently consider the following factors when determining whether a penalty is appropriate:

- a) The seriousness of the allegations proved against the Respondent;
- b) The Respondent's past conduct, including prior sanctions;
- c) The Respondent's experience and level of activity in the capital markets;
- d) Whether the Respondent recognizes the seriousness of the improper activity;
- e) The harm suffered by investors as a result of the Respondent's activities;

- f) The benefits received by the Respondent as a result of the improper activity;
- g) The risk to investors and the capital markets in the jurisdiction, were the Respondent to continue to operate in capital markets in the jurisdiction;
- h) The damage caused to the integrity of the capital markets in the jurisdiction by the Respondent's improper activities;
- i) 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;
- j) The need to alert others to the consequences of inappropriate activities to those who are permitted to participate in the capital markets, and
- k) Previous decisions made in similar circumstances.

41. Enforcement Counsel also cited as an additional consideration MFDA Bulletin #0661-E, dated October 2, 2015, which reminded Members and Approved Persons that "Signature Falsification" is not permissible under MFDA Rules. This term includes conduct like pre-signed account forms, altered account forms and the falsification of a client signature. In the Bulletin, Members and Approved Persons were advised that the MFDA would seek enhanced penalties at MFDA disciplinary proceedings for conduct that occurred after the publication of the Bulletin on October 2, 2015.

42. The MFDA Penalty Guidelines are an additional resource that a Hearing Panel may consult when determining the appropriateness of the penalty to be imposed pursuant to a settlement agreement. While not mandatory or binding; the penalty types and ranges are intended to provide a basis upon which a Hearing Panel's discretion can be exercised consistently in like circumstances.

43. This Hearing Panel noted from the authority in *Pezim v British Columbia (Superintendent of Brokers)*, [1994] 2 SCR 557 (SCC) at paras. 59, 68 that the primary goal of securities regulation, whether in the context of a settlement hearing or a contested hearing, is protection of the investor. In addition to protection of the investor, the goals of securities regulation include fostering public confidence in the capital markets and the securities industry.

44. Enforcement Counsel cited the following cases in support of acceptance of the Settlement Agreement:

- a) *Brock (Re)*, MFDA File No. 201838, Hearing Panel of the Central Regional Council, Decision and Reasons dated May 23, 2018,
- b) *Chow (Re)*, MFDA File No. 201815, Hearing Panel of the Central Regional Council, Decision and Reasons dated June 8, 2018,
- c) *Owen (Re)*, MFDA File No. 201784, Hearing Panel of the Prairie Regional Council, Decision and Reasons dated December 7, 2017,
- d) *Yeung (Re)*, MFDA File No. 201502, Hearing Panel of the Pacific Regional Council, Decision and Reasons dated September 28, 2016.

45. In the view of this Hearing Panel, the above-cited decisions are comparable to the case at hand and reveal that the severity of the fines and terms of suspension have increased significantly since 2015.

46. In the case at hand, this Hearing Panel considered that in light of these primary goals, the misconduct of the Respondents was very serious. In particular, the facts that 28 of the account forms with respect to the Respondent Tamera Williams, and 11 of the account forms with respect to the Respondent Todd Williams, were obtained after the MFDA issued MFDA Bulletin #0661-E on October 2, 2015 are aggravating factors to be considered in penalty.

47. However the mitigating factors included the facts that no clients were harmed as a result of the Respondents' misconduct, there was no evidence that the Respondent received any financial benefit from engaging in the misconduct at issue in this proceeding, they had not previously been the subject of MFDA disciplinary proceedings and by entering into the Settlement Agreement, the Respondents have accepted responsibility for his misconduct and avoided the necessity of the MFDA incurring the time and expense of conducting a full disciplinary proceeding.

48. In the view of this Hearing Panel, the amount of the fines in this instance are appropriate together with, in the case of Tamera Williams, the extent of the suspension, taking into account the nature of the conduct, as well as the aggravating factor of their occurrences subsequent to the issuance of MFDA Bulletin #0661-E on October 2, 2015, the contents of which, the Respondents were, or should have been, well aware.

49. In conclusion, this Hearing Panel is satisfied that the Settlement Agreement is in the public interest, is reasonable and proportionate, and will foster public confidence in the integrity of the Canadian capital markets and the industry and, accordingly, approves its terms.

50. This Hearing Panel thanks Enforcement Counsel for his helpful presentation and the Respondents for their cooperation during the hearing.

DATED this 30th day of August, 2018.

“Shelley L. Miller”

Shelley L. Miller, QC
Chair

“Howard Mix”

Howard Mix
Industry Representative

“Richard Sydenham”

Richard Sydenham
Industry Representative

DM 631345

Appendix “A”

Settlement Agreement

File No. 201864



Mutual Fund Dealers Association of Canada
Association canadienne des courtiers de fonds mutuels

**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: Tamera Jean Williams and Todd Russell Williams

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. Staff of the Mutual Fund Dealers Association of Canada (“Staff”) and Tamera Jean Williams and Todd Russell Williams (collectively, the “Respondents”), consent and agree to settlement of this matter by way of this agreement (the “Settlement Agreement”).

2. Staff conducted an investigation of the Respondents’ activities which disclosed activity for which the Respondents could be penalized on the exercise of the discretion of the Hearing Panel pursuant to s. 24.1 of By-law No.1..

II. JOINT SETTLEMENT RECOMMENDATION

3. Staff and the Respondents jointly recommend that the Hearing Panel accept the Settlement Agreement.

4. The Respondent, Tamera Jean Williams, admits to the following violations of the By-laws, Rules or Policies of the MFDA:

- a) on or about June 13, 2015, she altered information on an account form that had been previously signed by a client and used in a previous transaction in order to process a new transaction in the client's account, contrary to MFDA Rule 2.1.1;
- b) between April 2012 and September 2016, she falsified 89 account forms in respect of 43 clients by altering information on the account forms without having the clients initial the alterations, contrary to MFDA Rule 2.1.1; and
- c) between July 2011 and February 2016, she obtained, possessed, and in some instances, used to process transactions, 18 pre-signed account forms in respect of 11 clients, contrary to MFDA Rule 2.1.1.

5. The Respondent, Todd Russell Williams, admits to the following violations of the By-laws, Rules or Policies of the MFDA:

- a) on or about January 8, 2013, he altered information on an account form that had been previously signed by a client and used in a previous transaction in order to process a new transaction in the client's account, contrary to MFDA Rule 2.1.1;
- b) between August 2011 and July 2016, he falsified 24 account forms in respect of 21 clients by altering information on the account forms without having the clients initial the alterations, contrary to MFDA Rule 2.1.1; and
- c) between July 2011 and March 2016, he obtained, possessed, and in some instances, used to process transactions, 14 pre-signed account forms in respect of 10 clients, contrary to MFDA Rule 2.1.1.

6. Staff and the Respondents agree and consent to the following terms of settlement:

- a) the Respondent Tamera Jean Williams shall pay a fine in the amount of \$15,000 in certified funds pursuant to s. 24.1.1.(b) of MFDA By-law No. 1;

- b) the Respondent Tamera Jean Williams shall be prohibited from conducting securities related business in any capacity while in the employ of or associated with any MFDA Member for a period of 6 months pursuant to s. 24.1.1(e) of MFDA By-Law No. 1;
- c) the Respondent Todd Russell Williams shall pay a fine in the amount of \$12,500 in certified funds pursuant to s. 24.1.1.(b) of MFDA By-law No. 1;
- d) the Respondents shall, jointly and severally, pay costs in the amount of \$2,500 in certified funds pursuant to s. 24.2 of MFDA By-law No. 1;
- e) the Respondents shall in the future comply with MFDA Rule 2.1.1; and
- f) the Respondents will attend in person, on the date set for the Settlement Hearing.

7. Staff and the Respondents agree to the settlement on the basis of the facts set out in Part III herein and consent to the making of an Order in the form attached as Schedule “A”.

III. AGREED FACTS

Registration History

8. From March 13, 2009 to May 15, 2009, and from March 2, 2011 to March 9, 2017, the Respondent Tamera Jean Williams was registered in Alberta as a mutual fund salesperson (now known as a dealing representative) with Sun Life Financial Investment Services (Canada) Inc. (“Sun Life”), a Member of the MFDA.

9. From April 29, 2011 to March 9, 2017, the Respondent Todd Russell Williams was registered in Alberta as a dealing representative with Sun Life. At all material times, the Respondent Todd Russell Williams worked as an assistant for the Respondent Tamera Jean Williams.

10. On or about March 9, 2017, the Respondents’ registration with Sun Life was terminated as a result of the matters which are the subject of this Settlement Agreement.

11. The Respondents are not currently registered in the securities industry in any capacity.
12. At all material times, the Respondents conducted business in the Turner Valley, Alberta area.

Re-Used Account Forms

13. On or about June 13, 2015, the Respondent Tamera Jean Williams used liquid correction fluid to alter the client and advisor signature dates on a pre-authorized chequing form that had been previously signed by a client and used in a previous transaction in order to process a new pre-authorized contribution of \$16,000 in a client's account.
14. On or about January 8, 2013, the Respondent Todd Russell Williams used liquid correction fluid to alter the client signature date on an order ticket that had been previously signed by a client and used in a previous transaction in order to process a new transaction in the client's account.

Falsified Account Forms

15. At all material times, Sun Life's policies and procedures prohibited its Approved Persons, including the Respondents, from obtaining, holding, or using falsified account forms.
16. Between April 2012 and September 2016, the Respondent Tamera Jean Williams falsified 89 account forms in respect of 43 clients by either crossing out information on the account forms and altering them, or by using liquid correction fluid to alter information on the account forms, all without having the clients initial the alterations.
17. The 89 falsified account forms consisted of:
 - a) 1 client consent form for electronic delivery;
 - b) 30 Know Your Client ("KYC") forms;
 - c) 1 dealer of record change form;

- d) 10 education savings plan application forms;
- e) 7 Limited Trade Authorization (“LTA”) forms;
- f) 5 order tickets;
- g) 9 pre-authorized chequing forms;
- h) 19 new account application forms;
- i) 1 termination benefit statement form; and
- j) 6 transfer authorization forms.

18. In 76 instances, the Respondent Tamera Jean Williams submitted the falsified forms to Sun Life for processing.

19. Between August 2011 and July 2016, the Respondent Todd Russell Williams falsified 24 account forms in respect of 21 clients by either crossing out information on the account forms and altering them, or by using liquid correction fluid to alter information on the account forms, all without having the clients initial the alterations.

20. The 24 falsified account forms consisted of:

- a) 14 KYC forms;
- b) 2 LTA forms;
- c) 4 order tickets;
- d) 3 new account application forms; and
- e) 1 signature form for electronic delivery.

21. In 16 instances, the Respondent Todd Russell Williams submitted the falsified forms to Sun Life for processing.

Pre-Signed Account Forms

22. At all material times, Sun Life’s policies and procedures prohibited its Approved Persons, including the Respondents, from obtaining, holding, or using pre-signed account forms.

23. Between July 2011 and February 2016, the Respondent Tamera Jean Williams obtained, possessed, and in 9 instances, used to process transactions, 18 pre-signed account forms in respect of 11 clients.

24. The pre-signed forms consisted of:

- a) 1 appointment of beneficiary form;
- b) 3 KYC forms;
- c) 1 LTA form;
- d) 1 name change form;
- e) 6 order tickets;
- f) 2 pre-authorized contribution forms;
- g) 1 T2203 direct transfer form;
- h) 2 transfer authorization forms; and
- i) 1 public service pension plan transfer form.

25. Between July 2011 and February 2016, the Respondent Todd Russell Williams obtained, possessed, and in 4 instances, used to process transactions, 14 pre-signed account forms in respect of 10 clients.

26. The pre-signed forms consisted of:

- a) 1 account application form;
- b) 1 account linking agreement form;
- c) 3 KYC forms;
- d) 6 order tickets;
- e) 1 direct transfer form; and
- f) 2 transfer authorization forms.

Sun Life's Investigation

27. In August 2016, Sun Life identified 3 account forms with liquid correction fluid in the Respondents' client files as a result of a branch audit. Sun Life subsequently commenced an investigation and identified the remaining falsified and pre-signed account forms that are the subject of this Settlement Agreement.

28. Effective October 12, 2016, Sun Life placed the Respondent Tamera Jean Williams on close supervision for a period of 6 months. Effective December 1, 2016, Sun Life placed the Respondent Todd Russell Williams on close supervision for a period of 6 months.

29. On or about December 22, 2016, Sun Life sent letters to all of the clients whose accounts were serviced by the Respondents in order to determine whether the transactions in the clients' accounts were authorized. The clients did not report any concerns.

30. On or about March 9, 2017, the Respondents' registration with Sun Life was terminated as result of the matters which are the subject of this Settlement Agreement.

Additional Factors

31. There is no evidence that the Respondents received any financial benefit from engaging in the misconduct described above beyond any commissions and fees that they would ordinarily be entitled to receive had the transactions been carried out in the proper manner.

32. There is no evidence of any client loss or that the transactions were unauthorized.

33. The Respondents have not previously been the subject of MFDA disciplinary proceedings.

34. The Respondents state that the use of the forms as described above was for the purposes of client convenience and not with the intent of causing client harm.

35. By entering into this Settlement Agreement, the Respondents have saved the MFDA the time, resources, and expenses associated with conducting a full hearing of the allegations.

IV. ADDITIONAL TERMS OF SETTLEMENT

36. This settlement is agreed upon in accordance with section 24.4 of MFDA By-law No. 1 and Rules 14 and 15 of the MFDA Rules of Procedure.

37. The Settlement Agreement is subject to acceptance by the Hearing Panel which shall be sought at a hearing (the “Settlement Hearing”). At, or following the conclusion of, the Settlement Hearing, the Hearing Panel may either accept or reject the Settlement Agreement. MFDA Settlement Hearings are typically held in the absence of the public pursuant to section 20.5 of MFDA By-law No. 1 and Rule 15.2(2) of the MFDA 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.

38. The Settlement Agreement shall become effective and binding upon the Respondents and Staff as of the date of its acceptance by the Hearing Panel. Unless otherwise stated, any monetary penalties and costs imposed upon the Respondents are payable immediately, and any suspensions, revocations, prohibitions, conditions or other terms of the Settlement Agreement shall commence, upon the effective date of the Settlement Agreement.

39. Staff and the Respondents agree that if this Settlement Agreement is accepted by the Hearing Panel:

- a) the Settlement Agreement will constitute the entirety of the evidence to be submitted respecting the Respondents in this matter;
- b) the Respondents waive any rights to a full hearing, a review hearing before the Board of Directors of the MFDA or any securities commission with jurisdiction in

the matter under its enabling legislation, or a judicial review or appeal of the matter before any court of competent jurisdiction;

- c) Staff will not initiate any proceeding under the By-laws of the MFDA against the Respondents in respect of the facts and contraventions described in this Settlement Agreement. Nothing in this Settlement Agreement precludes Staff from investigating or initiating proceedings in respect of any facts and contraventions that are not set out in this Settlement Agreement. Furthermore, nothing in this Settlement Agreement shall relieve the Respondents from fulfilling any continuing regulatory obligations;
- d) the Respondents shall be deemed to have been penalized by the Hearing Panel pursuant to s. 24.1.2 of By-law No. 1 for the purpose of giving notice to the public thereof in accordance with s. 24.5 of By-law No. 1; and
- e) neither Staff nor the Respondents will make any public statement inconsistent with this Settlement Agreement. Nothing in this section is intended to restrict the Respondents from making full answer and defence to any civil or other proceedings against the Respondents.

40. If, for any reason, this Settlement Agreement is not accepted by the Hearing Panel, each of Staff and the Respondents will be entitled to any available proceedings, remedies and challenges, including proceeding to a disciplinary hearing pursuant to sections 20 and 24 of By-law No. 1, unaffected by the Settlement Agreement or the settlement negotiations.

41. Staff and the Respondents agree that the terms of the Settlement Agreement, including the attached Schedule “A”, will be released to the public only if and when the Settlement Agreement is accepted by the Hearing Panel.

42. The Settlement Agreement may be signed in one or more counterparts which together shall constitute a binding agreement. A facsimile copy of any signature shall be effective as an original signature.

DATED this 9th day of June, 2018.

“Tamera Jean Williams”

Tamera Jean Williams

“MW”

Witness – Signature

MW

Witness – Print Name

“Todd Russell Williams”

Todd Russell Williams

“MW”

Witness – Signature

MW

Witness – Print Name

“Shaun Devlin”

Shaun Devlin
Staff of the MFDA
Per: Shaun Devlin
Senior Vice-President,
Member Regulation – Enforcement

Schedule “A”

Order

File No. 201864



Mutual Fund Dealers Association of Canada
Association canadienne des courtiers de fonds mutuels

**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: Tamera Jean Williams and Todd Russell Williams

ORDER

(ARISING FROM SETTLEMENT HEARING ON AUGUST 2, 2018)

WHEREAS on [date], the Mutual Fund Dealers Association of Canada (the “MFDA”) issued Notices of Settlement Hearings pursuant to section 24.4 of By-law No. 1 in respect of Tamera Jean Williams and Todd Russell Williams (collectively, the “Respondents”);

AND WHEREAS the Respondents entered into a settlement agreement with Staff of the MFDA, dated [date] (the “Settlement Agreement”), in which the Respondents agreed to a proposed settlement of matters for which the Respondents could be disciplined pursuant to ss. 20 and 24.1 of By-law No. 1;

AND WHEREAS the Hearing Panel is of the opinion that the Respondent, Tamera Jean Williams:

- a) on or about June 13, 2015, altered information on an account form that had been previously signed by a client and used in a previous transaction in order to process a new transaction in the client's account, contrary to MFDA Rule 2.1.1;
- b) between April 2012 and September 2016, falsified 89 account forms in respect of 43 clients by altering information on the account forms without having the clients initial the alterations, contrary to MFDA Rule 2.1.1; and
- c) between July 2011 and February 2016, obtained, possessed, and in some instances, used to process transactions, 18 pre-signed account forms in respect of 11 clients, contrary to MFDA Rule 2.1.1.

AND WHEREAS the Hearing Panel is of the opinion that the Respondent, Todd Russell Williams:

- a) on or about January 8, 2013, altered information on an account form that had been previously signed by a client and used in a previous transaction in order to process a new transaction in the client's account, contrary to MFDA Rule 2.1.1;
- b) between August 2011 and July 2016, falsified 24 account forms in respect of 21 clients by altering information on the account forms without having the clients initial the alterations, contrary to MFDA Rule 2.1.1; and
- c) between July 2011 and March 2016, obtained, possessed, and in some instances, used to process transactions, 14 pre-signed account forms in respect of 10 clients, contrary to MFDA Rule 2.1.1;

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

1. The Respondent Tamera Jean Williams shall pay a fine in the amount of \$15,000 in certified funds pursuant to s. 24.1.1.(b) of MFDA By-law No. 1;

2. The Respondent Tamera Jean Williams shall be prohibited from conducting securities related business in any capacity while in the employ of or associated with any MFDA Member for a period of 6 months pursuant to s. 24.1.1(e) of MFDA By-Law No. 1;

3. The Respondent Todd Russell Williams shall pay a fine in the amount of \$12,500 in certified funds pursuant to s. 24.1.1.(b) of MFDA By-law No. 1;

4. The Respondents shall, jointly and severally, pay costs in the amount of \$2,500 in certified funds pursuant to s. 24.2 of MFDA By-law No. 1;

5. The Respondents shall in the future comply with MFDA Rule 2.1.1; and

6. 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 MFDA Corporate Secretary 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 MFDA *Rules of Procedure*.

DATED this [day] day of [month], 20[].

Per: _____
[Name of Public Representative], Chair

Per: _____
[Name of Industry Representative]

Per: _____
[Name of Industry Representative]