



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

**IN THE MATTER OF AN APPLICATION
PURSUANT TO SECTION 24.3.2 OF BY-LAW NO. 1 OF
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

Re: Connor Financial Corporation

Decision and Reasons: April 29, 2016

DECISION AND REASONS

Hearing Panel of the Pacific Regional Council:

Jean P. Whittow, Q.C.

Chair

Appearances:

Shelly Feld
Paul Blasiak

)
)
)

For the Mutual Fund Dealers Association of
Canada

Connor Financial Corporation

)
)
)

Did not participate

1. This is an application by the staff of the MFDA for an order terminating the membership of Connor Financial Corporation (“CFC”) in the MFDA pursuant to s. 24.3.3(e) of MFDA By-law No. 1 (the “Application”). A single member Hearing Panel has been designated to conduct this matter pursuant to s. 19.13(a) of the Mutual Fund Dealers Association of Canada (“MFDA”) By-law No. 1.

2. The Panel was provided with an Application Record which contains a Notice of Application dated January 20, 2016; the affidavit of Ken Woodard sworn January 20, 2016, and a copy of the relevant provisions of the MFDA By-law. The Panel was also provided with the affidavit of Jan Falkowski sworn March 23, 2016, which shows that a principal of CFC was served on March 16, 2016 with the Application Record, a draft of the Order sought and an explanatory letter from the enforcement counsel of the MFDA (“Staff”). That letter stated that CFC could respond to the Application, and must do so within 20 days of receipt, in writing, to Staff and the Corporate Secretary.

3. The Panel was also provided with the affidavit of Terri Spence sworn April 28, 2016 stating that no response to the Notice of Application has been received by Staff or the Corporate Secretary’s Office.

4. The affidavit of Ken Woodward sets out the relevant background:

(a) CFC gave notice of its intention to resign its membership in the MFDA in writing on February 8, 2010.

(b) On February 25, 2011, a hearing panel accepted a Settlement Agreement with CFC and its principal, a term of which that CFC’s membership would be suspended until its resignation is approved or its membership otherwise terminated.

(c) On March 11, 2011, the MFDA suspended CFC’s membership.

(d) Since that time, CFC has not operated or carried on business as a mutual fund dealer.

(e) Further, CFC has not filed monthly reports as required by MFDA Rule 3.5.1(a) and has not filed annual audited financial statements as required by MFDA Rule 3.5.1(b) since September 28, 2010.

5. Section 24.3.2 provides that a panel may impose any of the penalties provided in s. 24.3.3 of MFDA By-law No. 1 in the event that a Member has:

- failed to file monthly financial reports with the MFDA (s. 24.3.2(a)(v));
- failed to file annual audited financial statements with the MFDA (s. 24.3.2(a)(vi)); or
- given notice of its intention to resign or ceased carrying on business as a mutual fund dealer (s. 24.3.2(a)(xiv)).

6. Section 24.3.3(e) specifically provides for termination of membership.

7. CFC clearly meets the criteria in section 24.3.2 set out above. Therefore, the Panel has granted the order sought, that the rights, privileges and membership of CFC in the MFDA are hereby terminated pursuant to section 24.3.3(e) of MFDA By-law No. 1.

DATED this 29th day of April, 2016.

“Jean P. Whittow”

Jean P. Whittow, Q.C.
Chair