



CIRO · OCRI

Canadian Investment
Regulatory
Organization

Organisme canadien
de réglementation
des investissements

Settlement Agreement

File No 202320

**IN THE MATTER OF
THE MUTUAL FUND DEALER RULESⁱ
and
Miranda Sirri Che**

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. The Canadian Investment Regulatory Organization, a consolidation of IIROC and the MFDA (“CIRO”) will announce that it proposes to hold a hearing (the “Settlement Hearing”) to consider whether, pursuant to Mutual Fund Dealer Rule 7.4.4.3, a hearing panel of the Manitoba District Committee (the “Hearing Panel”) of CIRO should accept the settlement agreement (the “Settlement Agreement”) entered into between Staff of CIRO (“Staff”) and Miranda Sirri Che (the “Respondent”).

2. Staff and the Respondent consent and agree to the terms of this Settlement Agreement.

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

II. CONTRAVENTIONS

4. The Respondent admits to the following violations of the Mutual Fund Dealer Rules:¹

Between January 15, 2021 and March 11, 2021, the Respondent signed the signatures of six clients on 8 account forms and submitted the account forms to the Dealer Member for processing, contrary to Mutual Fund Dealer Rule 2.1.1 (formerly MFDA Rule 2.1.1).

III. TERMS OF SETTLEMENT

5. Staff and the Respondent agree and consent to the following terms of settlement:

- (a) the Respondent shall be prohibited from conducting securities related business in any capacity while in the employ of or associated with any Dealer Member of CIRO registered as a mutual fund dealer for a period of three months, commencing on the date that this settlement agreement is accepted by a Hearing Panel, pursuant to Mutual Fund Dealer Rule 7.4.1.1(e);
- (b) the Respondent shall pay a fine in the amount of \$14,000 (“Fine”), pursuant to Mutual Fund Dealer Rule 7.4.1.1(b);
- (c) the Respondent shall pay costs in the amount of \$5,000 (“Costs”), pursuant Mutual Fund Dealer Rule 7.4.2;
- (d) payment by the Respondent of the Fine and Costs shall be made to and received by the Corporation in certified funds as follows;
 - i) \$5,000 (Costs) upon acceptance of the Settlement Agreement;
 - ii) \$1,300 (Fine) on or before the last business day of the first month following the date of the Settlement Agreement;

¹At 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.

- iii) \$1,300 (Fine) on or before the last business day of the second month following the date of the Settlement Agreement;
- iv) \$1,300 (Fine) on or before the last business day of the third month following the date of the Settlement Agreement;
- v) \$1,300 (Fine) on or before the last business day of the fourth month following the date of the Settlement Agreement;
- vi) \$1,300 (Fine) on or before the last business day of the fifth month following the date of the Settlement Agreement;
- vii) \$1,300 (Fine) on or before the last business day of the sixth month following the date of the Settlement Agreement;
- viii) \$1,300 (Fine) on or before the last business day of the seventh month following the date of the Settlement Agreement;
- ix) \$1,300 (Fine) on or before the last business day of the eighth month following the date of the Settlement Agreement;
- x) \$1,300 (Fine) on or before the last business day of the ninth month following the date of the Settlement Agreement;
- xi) \$1,300 (Fine) on or before the last business day of the tenth month following the date of the Settlement Agreement; and
- xii) \$1,000 (Fine) on or before the last business day of the eleventh month following the date of the Settlement Agreement.

(e) if the Respondent fails to make any of the payments described above in subparagraph (d), then any outstanding balance of the Fine and Costs shall become immediately due and payable to the CIRO;

(f) the Respondent shall in the future comply with Mutual Fund Dealer Rule 2.1.1;
and

(g) the Respondent shall attend by videoconference on the date set for the Settlement Hearing.

6. Staff and the Respondent agree to the settlement on the basis of the facts set out in this Settlement Agreement herein and consent to the making of an Order in the form attached as Schedule “A”.

IV. AGREED FACTS

Registration History

7. Commencing August 12, 2013, the Respondent has been registered in the securities industry.

8. Between February 15, 2017 and March 25, 2021, the Respondent was registered in Saskatchewan as a dealing representative with TD Investment Services Inc. (the “Dealer Member”), a Dealer Member of the Corporation (formerly a Member of the MFDA).²

9. On March 25, 2021, the Dealer Member terminated the Respondent as a result of the conduct described herein, and the Respondent is currently not registered in the securities industry in any capacity.

10. At all material times, the Respondent conducted business in the Saskatoon, Saskatchewan area.

The Respondent Signed Client Signatures

11. At all material times, the Dealer Member’s policies and procedures prohibited the falsification of signatures and engaging in unethical business practices.

12. Between January 15, 2021 and March 11, 2021, the Respondent signed the signatures of clients on 8 account forms relating to six clients.

13. On six of the forms consisting of Transaction and Account Maintenance Forms, the Respondent signed the clients’ signature beside various notes of their discussions with

² Between August 12, 2013 and February 21, 2017, the Respondent was registered in the Northwest Territories and Nunavut as a dealing representative with the Dealer Member.

clients that included the purpose of the transaction, risk and fee disclosure, and Know Your Client information.

14. The remaining two forms consisted of a Transaction and Account Maintenance Form to process a pre-authorized contribution, and a TD Multi-Holding Registered Savings Plan Application Form.

The Dealer Member's Investigation

15. While conducting daily trade reviews, the Dealer Member identified five of the account forms described above. Subsequently, the Dealer Member completed a review of client files maintained by the Respondent and identified the remaining account forms described above.

16. The Dealer Member contacted or attempted to contact the impacted clients in order to address the deficiencies in the account forms, and requested that the clients arrange for an appointment to complete the account forms again and to ensure that the holdings in the client's accounts were suitable. None of the clients responded with any concerns.

17. On March 25, 2021 the Dealer Member terminated the Respondent.

Additional Factors

18. There is no evidence that the Respondent received any financial benefit from the conduct set out above beyond the commissions or fees the Respondent would ordinarily be entitled to receive had the transactions been carried out in the proper manner.

19. There is no evidence of client financial loss or lack of authorization for the underlying transactions, and no clients have complained to Staff or the Dealer Member.

20. The Respondent has not previously been the subject of MFDA or CIRO disciplinary proceedings.

21. The Respondent states that due to the Respondent's personal and financial circumstances, including that the Respondent lives in a remote location (Nunavut), and is currently financially supporting a number of dependents, the Respondent requires that the payment of the Fine and Costs be made in installments as set out above in the Settlement Agreement.

22. By entering into this Settlement Agreement, the Respondent has saved CIRO the time, resources and expenses that would have otherwise been necessary to conduct a contested hearing of the allegations.

V. ADDITIONAL TERMS OF SETTLEMENT

23. This settlement is agreed upon in accordance with Mutual Fund Dealer Rule 7.4.4 and Rules 14 and 15 of the Mutual Fund Dealer Rules of Procedure.

24. The Settlement Agreement is subject to acceptance by the Hearing Panel. At or following the conclusion of the Settlement Hearing, the Hearing Panel may either accept or reject the Settlement Agreement. Settlement Hearings 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.

25. The Settlement Agreement shall become effective and binding upon the Respondent and Staff as of the date of its acceptance by the Hearing Panel. Unless otherwise agreed, any monetary penalties and costs imposed upon the Respondent 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.

26. Staff and the Respondent 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 at the settlement hearing, subject to Rule 15.3 of the Mutual Fund Dealer Rules of Procedure;
- b. the Respondent agrees to waive any rights to a full hearing, a review hearing or appeal, including before the Board of Directors of the Corporation 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. except for any proceedings commenced to address an alleged failure to comply with this Settlement Agreement, Staff will not initiate any proceeding under the Mutual Fund Dealer Rules against the Respondent 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, whether known or unknown at the time of settlement. Furthermore, nothing in this Settlement Agreement shall relieve the Respondent from fulfilling any continuing regulatory obligations
- d. the Respondent shall be deemed to have been penalized by the Hearing Panel pursuant to Mutual Fund Dealer Rule 7.4.1.1 for the purpose of giving notice to the public thereof in accordance with Mutual Fund Dealer Rule 7.4.5; and
- e. neither Staff nor the Respondent will make any public statement inconsistent with this Settlement Agreement. Nothing in this section is intended to restrict the Respondent from making full answer and defence to any civil or other proceedings against the Respondent.

27. If this Settlement Agreement is accepted by the Hearing Panel and, at any subsequent time, the Respondent fails to honour any of the Terms of Settlement set out herein, Staff reserves the right to bring proceedings under Mutual Fund Dealer Rule 7.4.3 against the Respondent based on, but not limited to, the facts set out in this Settlement

Agreement, as well as the breach of the Settlement Agreement. If such additional enforcement action is taken, the Respondent agrees that the proceeding(s) may be heard and determined by a hearing panel comprised of all or some of the same members of the hearing panel that accepted the Settlement Agreement, if available.

28. If, for any reason, this Settlement Agreement is not accepted by the Hearing Panel, each of Staff and the Respondent will be entitled to any available proceedings, remedies and challenges, including proceeding to a disciplinary hearing pursuant to Mutual Fund Dealer Rules 7.3 and 7.4, unaffected by the Settlement Agreement or the settlement negotiations.

29. The terms of this Settlement Agreement will be treated as confidential by the parties hereto until accepted by the Hearing Panel, and forever if, for any reason whatsoever, this Settlement Agreement is not accepted by the Hearing Panel, except with the written consent of both the Respondent and Staff or as may be required by law. The terms of the Settlement Agreement, including the attached Schedule "A", will be released to the public if and when the Settlement Agreement is accepted by the Hearing Panel.

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

DATED this 2nd day of August, 2023

“Miranda Sirri Che”
Miranda Sirri Che

“H.A.”
Witness - Signature

“H.A.”
Witness - Print name

“Charles Toth”
Staff of CIRO
Per: Charles Toth
Canadian Investment Regulatory Organization, Vice-President, Enforcement (Mutual Fund Dealers)

ⁱ 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 that is called the Canadian Investment Regulatory Organization (referred to herein as “CIRO”) and is recognized under applicable securities legislation. CIRO 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. Pursuant to Mutual Fund Dealer Rule 1A and s. 14.6 of By-law No. 1 of CIRO, contraventions of former MFDA regulatory requirements may be enforced by CIRO.



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Canadian Investment
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Organisme canadien
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Order

File No. 202320

Schedule “A”

**IN THE MATTER OF
THE MUTUAL FUND DEALER RULES
and
Miranda Sirri Che**

ORDER

WHEREAS on [date], the Canadian Investment Regulatory Organization (“CIRO”) issued a Notice of Settlement Hearing pursuant to Mutual Fund Dealer Rule 7.4.4 in respect of a disciplinary proceeding against Miranda Sirri Che (the “Respondent”);

AND WHEREAS the Respondent entered into a settlement agreement with Staff of the Corporation (“Staff”), dated [date] (the “Settlement Agreement”), in which the Respondent agreed to a proposed settlement of matters for which the Respondent could be disciplined pursuant to Mutual Fund Dealer Rules 7.3 and 7.4.1;

AND WHEREAS based upon the admissions of the Respondent in the Settlement Agreement, the Hearing Panel is of the opinion that:

Between January 15, 2021 and March 11, 2021, the Respondent signed the signatures of six clients on 8 account forms and submitted the account forms to the Dealer Member for processing, contrary to Mutual Fund Dealer Rule 2.1.1 (formerly MFDA Rule 2.1.1).

IT IS HEREBY ORDERED THAT the Settlement Agreement is accepted, as a consequence of which:he Respondent shall be prohibited from conducting securities related business in any capacity while in the employ of or associated with any Dealer

Member of the Corporation registered as a mutual fund dealer for a period of three months, commencing on [DATE/the date that this settlement agreement is accepted by a Hearing Panel], pursuant to Mutual Fund Dealer Rule 7.4.1.1(e);

1. The Respondent shall pay a fine in the amount of \$14,000 (“Fine”), pursuant to Mutual Fund Dealer Rule 7.4.1.1(b);

2. The Respondent shall pay costs in the amount of \$5,000 (“Costs”), pursuant Mutual Fund Dealer Rule 7.4.2;

3. Payment by the Respondent of the Fine and Costs shall be made to and received by CIRO in certified funds as follows;

- a) \$5,000 (Costs) upon acceptance of the Settlement Agreement;
- b) \$1,300 (Fine) on or before [Date];
- c) \$1,300 (Fine) on or before [Date];
- d) \$1300 (Fine) on or before [Date];
- e) \$1300 (Fine) on or before [Date];
- f) \$1300 (Fine) on or before [Date];
- g) \$1300 (Fine) on or before [Date];
- h) \$1300 (Fine) on or before [Date];
- i) \$1300 (Fine) on or before [Date];
- j) \$1300 (Fine) on or before [Date];
- k) \$1300 (Fine) on or before [Date]; and
- l) \$1000 (fine) on or before [Date].

4. If the Respondent fails to make any of the payments described above in paragraph 4, any outstanding balance of the Fine and Costs shall become immediately due and payable to CIRO;

5. The Respondent shall in the future comply with Mutual Fund Dealer 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 Mutual Fund Dealer Rule 6.3, requests production of or access to exhibits in this proceeding that contain personal information as defined by CIRO's Privacy Policy, then the Corporate Secretary's Office, Mutual Fund Dealer Division of CIRO 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 [day] day of [month], 2023.

Name,
Chair

Name,
Industry Representative

Name,
Industry Representative

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