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

IN THE MATTER OF

THE MUTUAL FUND DEALER RULES[i]

and

Maria Santos

ORDER

(ARISING FROM A SETTLEMENT HEARING ON MARCH 8, 2023)

WHEREAS on December 5, 2022, the Mutual Fund Dealers Association of Canada (the "MFDA") issued a Notice of Settlement Hearing pursuant to section 24.4 of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.4) in respect of a disciplinary hearing against Maria Khristine Santos (the "Respondent");

AND WHEREAS the Respondent entered into a settlement agreement with Staff of the MFDA dated December 5, 2022 (the "Settlement Agreement"), in which the Respondent agreed to a proposed settlement of matters for which the Respondent could be disciplined pursuant to sections 20 and 24.1 of MFDA By-law No. 1 (now Mutual Fund Dealer Rules 7.3 and 7.4.1);

AND WHEREAS on January 1, 2023, the MFDA and the Investment Industry Regulatory Organization of Canada ("IIROC") consolidated to form the New Self-Regulatory Organization of Canada (the "Corporation");

AND WHEREAS based upon the admissions of the Respondent in the Settlement Agreement, the Hearing Panel is of the opinion that between November 2018 and June 2019, the Respondent altered client contact information on the Dealer Member's system without the knowledge or authorization of the client, which had the effect of avoiding the Dealer Member's

supervisory and training controls and impacted its ability to communicate with clients, contrary to MFDA Rules 2.1.1 and 2.1.4[1] (now Mutual Fund Dealer Rules 2.1.1 and 2.1.4(2)).

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

1. The Respondent shall pay a fine in the amount of $16,000 in accordance with the schedule set out in paragraph 3 of this Order, pursuant to s. 24.1.1(b) of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.1.1(b));

2. The Respondent shall pay costs in the amount of $5,000 in accordance with the schedule set out in paragraph 3 of this Order, pursuant to s. 24.2 of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.2);

3. The Respondent shall pay the fine and costs in accordance with the following schedule:

   a) $10,000 (Fine) in certified funds on the date of this Order;

   b) $5,000 (Costs) on the date of this Order;

   c) $3,000 (Fine) on or before April 28, 2023; and

   d) $3,000 (Fine) on or before May 31, 2023.

4. The Respondent is prohibited from acting as a branch manager or in any supervisory capacity for a Dealer Member registered as a mutual fund dealer (formerly Members of the MFDA) for a period of 12 months commencing on the date of this Order, pursuant to s. 24.1.1(f) of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.1.1(f));

5. The Respondent shall successfully complete an ethics or professional conduct course, the branch manager's course offered by the Investment Funds Institute of Canada, the Investment Dealer Supervisors Course offered by the Canadian Securities Institute, or another industry course that is acceptable to Staff of the Corporation, within 12 months of the date of this Order, pursuant to s. 24.1.1(f) of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.1.1(f)); and

[1]On June 30, 2021, amendments to MFDA Rule 2.1.4 came into effect. As the conduct addressed in this proceeding pre-dated the amendment to the Rule, the contravention of MFDA Rule 2.1.4 that is addressed in this proceeding concerns the version of MFDA Rule 2.1.4 that was in effect between February 27, 2006 and June 30, 2021.

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 the Corporation's Privacy Policy, then the Corporate Secretary's Office, Mutual Fund Dealer Division of the Corporation 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 8th day of March, 2023.

"Sherri Walsh"
Sherri Walsh
Chair

"Adam Dudley"
Adam Dudley
Industry Representative

"Sean Shore"
Sean Shore
Industry Representative

DM 904648

[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 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, MFDA By-law No. 1 continues to be applicable to this proceeding and 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.