



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

**IN THE MATTER OF
THE MUTUAL FUND DEALER RULESⁱ
and
Antonio Luciano**

ORDER

WHEREAS on December 6, 2022, the Mutual Fund Dealers Association of Canada (the “MFDA”) issued a Notice of Hearing pursuant to sections 20 and 24 of MFDA By-law No. 1 (now Mutual Fund Dealer Rules 7.3 and 7.4) in respect of a disciplinary proceeding commenced against Antonio Luciano (the “Respondent”);

AND WHEREAS on February 23, 2023, the first appearance in this hearing was held by videoconference before one public representative of a hearing committee (the Chair of the Hearing Panel) acting on behalf of a hearing panel of the Ontario District Committee of the Corporation (the “Hearing Panel”) acting on behalf of a Hearing Panel, pursuant to s. 19.1.13(b) of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.2.4(b)) which permits one public representative to be designated to act on behalf of a Hearing Panel for the purpose of hearing and determining any procedural matter and a schedule was set for the balance of the proceeding;

AND WHEREAS no one attended the first appearance on behalf of the Respondent, although he was properly served with the Notice of Hearing by regular and registered mail on December 16, 2022;

AND WHEREAS following the first appearance, Staff of the Corporation (“Staff”) made multiple attempts to contact the Respondent by email and by telephone to inform the Respondent about the schedule that was established by the Chair of the Hearing Panel at the first appearance but the Respondent did not respond to the messages from Staff and did not engage in the proceeding;

AND WHEREAS on April 19, 2023, Staff brought a motion at an interim appearance that was held by videoconference before the Chair of the Hearing Panel to amend the order dated February 23, 2023 as a result of the Respondent’s failure to deliver a Reply or otherwise engage in the hearing process;

AND WHEREAS in accordance with the order of the Chair of the Hearing Panel dated April 19, 2023, Staff arranged for a copy of the order dated April 19, 2023 to be personally served on the Respondent;

AND WHEREAS the orders issued by the Chair of the Hearing Panel on February 23, 2023 and on April 19, 2023 stated, among other things, that the hearing of this matter on its merits would take place by videoconference on May 19, 2023;

AND WHEREAS on May 19, 2023, a hearing on the merits was conducted by videoconference before a hearing panel of the Ontario District Committee (the “Hearing Panel”) and neither the Respondent nor anyone acting on his behalf attended the hearing on the merits;

AND UPON reading the affidavits and other documentary evidence filed by Staff and the written submissions of Staff and hearing the testimony of witnesses called by Staff and the oral submissions of counsel for Staff, the Hearing Panel is of the opinion that the Respondent engaged in the following misconduct:

1. Between June 2020 and December 2020, the Respondent cut and pasted client signatures from copies of account forms onto 8 new account forms previously signed by 4 clients, and submitted some of the account forms to the Member for processing, contrary to MFDA Rule 2.1.1;

2. Between June 2020 and November 2020, the Respondent altered and used to process transactions, 2 account forms in respect of 2 clients by altering information on the account forms without having the client initial the alterations, contrary to MFDA Rule 2.1.1; and

3. In December 2020, the Respondent obtained, possessed, and used to process transactions, 3 pre-signed account forms in respect of 2 clients, contrary to MFDA Rule 2.1.1.

IT IS HEREBY ORDERED THAT:

1. The Respondent is prohibited from conducting securities related business in any capacity while in the employ of or associated with any Dealer Member of the Corporation that is registered as a mutual fund dealer for a period of one year commencing on the date of this Order, pursuant to s. 24.1.1(e) of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.1.1(e));

2. The Respondent shall pay a fine of \$25,000 in certified funds on the date 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));

3. The Respondent shall pay costs in the amount of \$7,500 in certified funds on the date of this Order, pursuant to s. 24.2 of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.2); and

4. 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 19th day of May, 2023.

“Frederick Chenoweth”

Frederick Chenoweth
Chair

“Guenther Kleberg”

Name,
Industry Representative

“Tim Pryor”

Name,
Industry Representative

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 temporarily called the New Self-Regulatory Organization of Canada (referred to herein as the “Corporation”) and is recognized under applicable securities legislation. 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. 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.