



CIRO · OCRI

Canadian Investment
Regulatory
Organization

Organisme canadien
de réglementation
des investissements

Order

File No. 202301

**IN THE MATTER OF
THE MUTUAL FUND DEALER RULESⁱ
and
Jennifer Beh**

ORDER

WHEREAS on February 1, 2023, the New Self-Regulatory Organization of Canada, now called the Canadian Investment Regulatory Organization (“CIRO”), issued a Notice of Hearing pursuant to Mutual Fund Dealer Rules 7.3 and 7.4 in respect of a disciplinary proceeding commenced against Jennifer Beh (the “Respondent”);

AND WHEREAS the Notice of Hearing was personally served on the Respondent on February 21, 2023 as appears from the affidavit of service sworn by a process server employed by Dye & Durham on February 23, 2023;

AND WHEREAS on March 6, 2023, the Notice of Hearing was published on the Mutual Fund Dealer Association (“MFDA”) website (www.mfda.ca);

AND WHEREAS by news release dated March 6, 2023, CIRO publicly announced on the MFDA website that the first appearance in this hearing was scheduled to take place on March 24, 2023;

AND WHEREAS on March 24, 2023, the first appearance in this hearing was held electronically by videoconference before one public representative of a district hearing committee acting on behalf of a hearing panel of the Pacific District Hearing Committee of CIRO (the “Hearing Panel”), pursuant to 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 WHEREAS during the first appearance, the hearing of this matter on its merits was scheduled to take place electronically by videoconference on August 11, 2023;

AND WHEREAS the Respondent did not serve and file a Reply to the Notice of Hearing in accordance with Rule 8.1(1) of the Mutual Fund Dealer Rules of Procedure (the “ROP”) and did not attend the first appearance on March 24, 2023 or send someone to appear on her behalf, despite being properly served with the Notice of Hearing;

AND WHEREAS pursuant to Rules 7.3(1)(a), 8.4(1)(a), and 13.5 of the ROP, if a Respondent fails to attend the hearing on the date and at the time and location specified in the Notice of Hearing, fails to serve and file a Reply to the Notice of Hearing in accordance with Rules 8.1 and 8.2 of the ROP, and, having been served with the Notice of Hearing, fails to attend the hearing on its merits, the Hearing Panel may proceed with the hearing in the absence of the Respondent;

AND WHEREAS following the first appearance, the Hearing Panel issued an order dated March 24, 2023 (“March 24, 2023 Order”) that was published on the MFDA website ordering, among other things, that the hearing of this matter on its merits was scheduled to take place electronically by videoconference on August 11, 2023, and that Staff of CIRO (“Staff”) shall (i) send notice of the date and time of the hearing of the matter on its merits, (ii) provide the videoconference link to the hearing of the matter on its merits, and a copy of the March 24, 2023 Order to the Respondent by personal service, and (iii) file an Affidavit of Service confirming that such notice was provided to the Respondent;

AND WHEREAS by news release dated April 17, 2023, CIRO announced that the hearing of this matter on its merits was scheduled to take place electronically by videoconference on August 11, 2023;

AND WHEREAS a letter providing notice of the date and time of the hearing on its merits and a videoconference link to the hearing, and a copy of the March 24, 2023 Order were posted on the front door of the Respondent's residence after attempted personal service of these documents was unsuccessful, as appears from the affidavit of attempted service sworn by a process server employed by Dye & Durham on July 13, 2023;

AND WHEREAS on August 3, 2023, Staff emailed the Respondent advising of the date and time of the hearing of the matter on its merits, providing a videoconference link for the Respondent to participate in, and providing a copy of the March 24, 2023 Order, as appears from the affidavit of Tim Fallows;

AND WHEREAS a majority of the Hearing Panel found that the Respondent had been notified of the date, time, location, and subject matter of the hearing on its merits, and the hearing on its merits therefore proceeded on August 11, 2023 electronically by videoconference in the absence of the Respondent, pursuant to Rules 7.3(1)(a), 8.4(1)(a), and 13.5 of the ROP;

AND WHEREAS no one on behalf of the Respondent participated in the hearing on its merits;

AND UPON reading the affidavit of Tim Fallows, other documentary evidence filed by Staff, and the written submissions of Staff, and upon hearing the oral submissions of Staff, the Hearing Panel was unanimously of the opinion that:

Commencing on or about November 17, 2021, the Respondent failed to cooperate with MFDA Staff's investigation into the Respondent's conduct, contrary to Mutual Fund Dealer Rule 6.2.1 (formerly section 22.1 of MFDA By-law No. 1).

IT IS HEREBY ORDERED THAT:

1. The Respondent is permanently 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 pursuant to Mutual Fund Dealer Rule 7.4.1.1(e);
2. The Respondent shall pay a fine of \$50,000, pursuant to Mutual Fund Dealer Rule 7.4.1.1(b); and
3. The Respondent shall pay costs in the amount of \$7,500, pursuant to Mutual Fund Dealer Rule 7.4.2.

DATED this 11th day of August, 2023.

“Nils Preshaw”

Nils Preshaw,
Chair

“Barbara Fraser”

Barbara Fraser,
Industry Representative

“Susan E. Monk”

Susan E. Monk,
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 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.