



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

**IN THE MATTER OF A DISCIPLINARY HEARING
PURSUANT TO SECTIONS 20 AND 24 OF BY-LAW NO. 1 OF
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

Re: Robert Bruce Rush

ORDER

WHEREAS on November 21, 2012, 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 in respect of a disciplinary proceeding commenced against Robert Bruce Rush (the “Respondent”);

AND WHEREAS the first appearance in this proceeding took place before a hearing panel of the Pacific Regional Council of the MFDA (the “Hearing Panel”) on January 16, 2013;

AND WHEREAS a further appearance in this matter took place before the Hearing Panel on April 19, 2013, at which time the Hearing Panel adjourned the hearing on the merits scheduled to occur on April 29 to May 1, 2013, and ordered the parties to attend a further appearance by teleconference on April 29, 2013 to reschedule the hearing on the merits;

AND WHEREAS this proceeding resumed on April 29, 2013 by teleconference before the Hearing Panel, where the Hearing Panel ordered that the hearing on its merits shall take place on

July 11-12, 2013 in Vancouver, British Columbia;

AND WHEREAS the misconduct phase of the hearing on the merits was conducted from July 11-12, and on November 12, 2013, during which time the Hearing Panel heard the evidence and submissions of Staff of the MFDA (“Staff”), and no one attended on behalf of the Respondent;

AND WHEREAS the penalty phase of the hearing on the merits was conducted on November 13, 2013, during which time the Hearing Panel heard the submissions of Staff, and no one attended on behalf of the Respondent;

AND WHEREAS in the opinion of the Hearing Panel:

- a) between January 2007 and November 28, 2007 the Respondent engaged in securities related business that was not carried on for the account of the Member and through the facilities of the Member by recommending, referring, selling or facilitating the sale of securities to at least clients KC and DC, and possibly to two other clients and 11 other individuals, outside the Member, contrary to MFDA Rule 1.1.1(a) and 2.1.1;
- b) between January 2007 and November 28, 2007, the Respondent had and continued in another gainful occupation that was not disclosed to and approved by the Member by recommending, referring, selling or facilitating the sale of securities to at least clients KC and DC, and possibly to two other clients and 11 other individuals, outside the Member, contrary to MFDA Rule 1.2.1(d);
- c) between January 2007 and November 28, 2007, the Respondent failed to comply with the Member’s policies and procedures with respect to engaging in outside business activities, contrary to MFDA Rules 1.1.2 and 2.5.1, and MFDA Rule 2.1.1; and
- d) commencing February 10, 2011, the Respondent has failed to cooperate with an investigation commenced by the MFDA by failing to provide information and documents concerning the matters under investigation and by failing to attend an interview, as requested by MFDA Staff during the course of the investigation, contrary to s. 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 MFDA Member, pursuant to s. 24.1.1(e) of MFDA By-Law No. 1;
2. the Respondent shall pay a fine in the amount of \$90,000, pursuant to section 24.1.1(b) of MFDA By-law No. 1;
3. the Respondent shall pay costs to the MFDA in the amount of \$10,000, pursuant to s. 24.2 of MFDA By-law No. 1; and
4. if at any time, a non-party to this proceeding requests production of, or access to, any materials filed in, or the record of, this proceeding, including any exhibits or transcripts, then the MFDA Corporate Secretary shall not provide copies of, or access to, the requested documents to the non-party without first redacting from them any and all intimate financial or personal information contained in the requested documents, pursuant to Rules 1.8(2) and (5) of the MFDA *Rules of Procedure*.

DATED this 2nd day of February, 2014.

“Jean P. Whittow”

Jean P. Whittow, Q.C.,
Chair

“Elaine Davison”

Elaine Davison,
Industry Representative

“Cecilia Macharia”

Cecilia Macharia,
Industry Representative