



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: Michael Guglielmi

ORDER

WHEREAS on May 25, 2015, the Mutual Fund Dealers Association of Canada (the “MFDA”) issued a Notice of Hearing pursuant to section 20.1 of By-law No. 1 in respect of Michael Guglielmi (the “Respondent”);

AND WHEREAS on January 5, 2016, the hearing on the merits of this matter was held before the Hearing Panel and proceeded by way of an Agreed Statement of Facts (“ASF”) in which the Respondent admitted that he engaged in misconduct, as set out in the ASF;

AND WHEREAS the Respondent did not oppose the penalties sought by MFDA Staff;

AND WHEREAS the Hearing Panel considered the evidence filed and the submissions of the Respondent and MFDA Staff;

AND WHEREAS it is the opinion of the Hearing Panel that between October 2012 and April 17, 2013:

1. The Respondent allowed WB, PA and WM, all unregistered individuals, to:
 - a. open new accounts at the Member for at least 12 individuals that the Respondent never met; and
 - b. recommend and process trades in the accounts of the 12 individuals using the Respondent's representative code;thereby facilitating stealth advising by WB, PA and WM, contrary to MFDA Rules 1.1.1(c) and 2.1.1; and
2. The Respondent opened new accounts and processed trades for at least 12 individuals without performing the necessary due diligence to learn the essential facts relative to the clients and failing to ensure that the investments were suitable and appropriate for the clients, contrary to MFDA Rules 2.2.1 and 2.1.1.

IT IS HEREBY ORDERED THAT:

1. 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 all exhibits and 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, pursuant to Rules 1.8(2) and (5) of the MFDA *Rules of Procedure*.
2. The Respondent is prohibited from conducting securities related business while in the employ of, or associated with, any MFDA Member for a period of one (1) year, pursuant to s. 24.1.1(c) of MFDA By-law No. 1;
3. The Respondent shall pay a fine in the amount of \$15,000, pursuant to section 24.1(b) of MFDA By-law No. 1;

4. The Respondent shall pay costs of this proceeding in the amount of \$5,000 pursuant to s. 24.2 of MFDA By-law No. 1;

5. The Respondent shall comply with paragraphs (3) and (4) before he is permitted to be re-registered in the mutual fund industry.

DATED this 5th day of January, 2016.

“Mark J. Sandler”

Mark J. Sandler
Chair

“Guenther Kleberg”

Guenther Kleberg
Industry Representative

“Kenneth P. Mann”

Kenneth P. Mann
Industry Representative

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