



**CASE SUMMARY # 201326**

April 21, 2015

# **MFDA Case Summary**

## **Enforcement**

This case summary was prepared by Staff of the MFDA.

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### **Hearing Panel Imposes Penalties on Murray Arnold Greenberg and Katrina Anne Powell**

Murray Arnold Greenberg (“Greenberg”) was a mutual fund dealer with Partners in Planning Financial Services Ltd. (“PIP”). Katrina Anne Powell (“Powell”) was registered as a mutual fund salesperson and branch manager with PIP. At all material times, Powell, in her capacity as the designated branch manager, was responsible for supervising trading activity at the branch and ensuring that any business conducted on behalf of PIP was in compliance with MFDA By-laws, Rules, and Policies, and applicable securities legislation. The Hearing Panel found that (i) between September 2005 and April 2009, Greenberg engaged in securities-related business that was not carried on for the account and through the facilities of the Member by recommending, selling, facilitating the sale or making referrals in respect of the sale of approximately \$13.45 million of investment products to at least 40 clients outside the Member, contrary to MFDA Rules 1.1.1, 2.4.2 and 2.1.1.; (ii) between September 2005 and April 2009, Greenberg had and continued in another gainful occupation which was not disclosed to and approved by the Member by recommending, selling, facilitating the sale or making referrals in respect of the sale of approximately \$13.45 million of investment products to at least 40 clients outside the Member, contrary to MFDA Rules 1.2.1(d) and 2.1.1.; (iii) in or around July 2009, Greenberg failed to inform the Member of a complaint from client NH Ltd. concerning the sale of an investment outside the Member, contrary to section 4.1 of MFDA Policy No. 6; and (iv) between September 2005 and July 2009, Powell failed to fulfill her supervisory responsibilities as a branch manager by permitting, acquiescing in or facilitating the sale or referral of investment products by Greenberg outside the Member, contrary to MFDA Rule 2.5.3(b), MFDA Policy No. 2 and MFDA Rule 2.1.1. The Hearing Panel imposed the following penalties against Greenberg: (a) a permanent prohibition on his authority to conduct securities-related business in any capacity while in the employ of, or in association with, any MFDA Member; (b) a fine of \$250,000; and (c) costs in the amount of \$10,000. The Hearing Panel imposed the following penalties against Powell: (a) a permanent prohibition on her authority to conduct securities-related business in any

capacity while in the employ of or associated with any MFDA Member; and (b) costs in the amount of \$5,000.

**NOTICE:** This case summary has been prepared by Staff of the MFDA, based upon the previously published Decision and Reasons of an MFDA Hearing Panel presiding over this matter. Every effort is made to ensure that this case summary accurately reflects the content of the Decision and Reasons. However, where there is a discrepancy between this case summary and the Decision and Reasons, the Decision and Reasons will prevail.

DM #424597