



NEWS RELEASE

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MFDA announces disciplinary proceeding in respect of Anu Jain

December 19, 2011 (Toronto, Ontario) – The MFDA today announced that it has commenced disciplinary proceedings in respect of Anu Bala Jain (the “Respondent”). MFDA staff alleges in its Notice of Hearing that the Respondent engaged in the following conduct contrary the By-laws, Rules or Policies of the MFDA:

Allegation #1: Between September 2007 and February 2008, the Respondent allowed MRM, an unregistered individual, to:

- i) open new accounts at the Member for 18 individuals with whom the Respondent never met;
- ii) recommend and implement leveraging strategies for these clients; and
- iii) recommend and process trades in the accounts of these clients using the Respondent’s representative code;

Thereby:

- a) facilitating stealth advising by MRM, contrary to MFDA Rules 1.1.1(c) and 2.1.1;
- b) failing to ensure that she (the Respondent) performed the necessary due diligence to learn the essential facts relative to the clients and failing to ensure that the investments and the leveraging strategies were suitable and appropriate for the clients, contrary to MFDA Rules 2.2.1 and 2.1.1; and
- c) failing in her (the Respondent’s) capacity as a branch manger to ensure that business conducted at the branch was in compliance with MFDA By-laws, Rules and applicable legislation, contrary to MFDA Rules 2.5.3(b) and 2.1.1.

Allegation #2: Between May 26, 2010 and April 14, 2011, in response to a complaint by client MA, in respect of whom the Respondent was identified as the Approved Person responsible for servicing client MA’s accounts, the Respondent made false and misleading statements and omitted to provide other relevant information during the course of investigations by two Members and by MFDA Staff:

- a) in a written statement to MFDA Staff, dated June 3, 2010;
- b) in oral statements to compliance staff at two Members; and
- c) by fabricating notes of meetings in which she falsely claimed that she had met with client MA on three occasions in October 2007;

contrary to MFDA Rule 2.1.1 and s. 22.1 of MFDA By-law No. 1.

The first appearance in this matter will take place by teleconference before a Hearing Panel of the MFDA's Central Regional Council on February 8, 2012 at 10:00 a.m. (Eastern) in the MFDA Hearing Room located at 121 King Street West, Suite 1000, Toronto, Ontario. The purpose of the appearance is to set a date for the hearing of this matter on its merits and to address any other procedural matters and will be open to the public, except as may be required for the protection of confidential matters.

A copy of the [Notice of Hearing](#) is available on the MFDA website at www.mfda.ca.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 126 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

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