



NEWS RELEASE

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MFDA Hearing Panel approves three Settlement Agreements

October 30, 2015 (Toronto, Ontario) – On October 29, 2015, a three-member Hearing Panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada (“MFDA”) heard the following three (3) separate proceedings, the particulars of which are:

Michael and Murray Wellman

A settlement hearing in the matter of Murray Harold Wellman (“Murray Wellman”) and Michael John Wellman (“Michael Wellman”) (collectively the “Respondents”) was held on October 29, 2015, at which the Hearing Panel approved the settlement agreement (“Settlement Agreement”) between Staff of the MFDA and the Respondents, as a consequence of which:

Michael Wellman

- (i) has paid a fine in the amount of \$10,000;
- (ii) has paid costs in the amount of \$1,000; and
- (iii) shall in the future comply with MFDA Rule 2.1.1.

Murray Wellman

- (i) has paid a fine in the amount of \$10,000;
- (ii) has paid costs in the amount of \$1,000; and
- (iii) shall in the future comply with MFDA Rule 2.1.1.

In the Settlement Agreement, the Respondents admitted that:

- (i) between about April 2011 and October 2013, they altered the risk tolerances, investment objectives or investment instructions that were recorded on seven (7) account forms in respect of six (6) clients;

- (ii) between about January 2011 and April 2013, they obtained, maintained and, in some instances, used to process trades, 29 pre-signed account forms and one (1) pre-signed cheque in respect of 16 clients; and
- (iii) on February 21, 2013, they processed a trade in a client account without documenting the client's authorization of the trade, contrary to MFDA Rule 2.1.1.

A copy of the [Settlement Agreement](#) is available on the MFDA website at www.mfda.ca. During the period described in the Settlement Agreement, the Respondents conducted business in the area of Kitchener-Waterloo, Ontario.

Tarak Shah

A settlement hearing in the matter of Tarak Shah ("Shah") was held on October 29, 2015, at which the Hearing Panel approved the settlement agreement ("Settlement Agreement") between Staff of the MFDA and Shah, as a consequence of which Shah:

- (i) has paid a fine in the amount of \$10,000;
- (ii) has paid costs in the amount of \$2,500; and
- (iii) shall in the future comply with MFDA Rule 2.1.1.

In the Settlement Agreement, Shah admitted that between June 2011 and September 2013, he obtained, maintained, and in some instances, used to process trades, 24 blank pre-signed account forms in respect of 19 clients, contrary to MFDA Rule 2.1.1.

A copy of the [Settlement Agreement](#) is available on the MFDA website at www.mfda.ca. During the period described in the Settlement Agreement, Shah carried on business in the Markham, Ontario area.

Heather Lynn

A settlement hearing in the matter of Heather Lynn ("Lynn") was held on October 29, 2015, at which the Hearing Panel approved the settlement agreement ("Settlement Agreement") between Staff of the MFDA and Lynn, as a consequence of which Lynn:

- (i) has paid a fine in the amount of \$7,500;
- (ii) has paid costs in the amount of \$2,500; and
- (iii) shall in the future comply with MFDA Rule 2.1.1.

In the Settlement Agreement, Lynn admitted that between April 2012 and June 2014, she:

- (i) obtained, possessed, and in some instances, used to process trades, 54 pre-signed account forms in respect of ten (10) clients, contrary to MFDA Rule 2.1.1; and
- (ii) altered, and in one instance, used to complete a transaction, two (2) client account forms in respect of two (2) clients, contrary to MFDA Rule 2.1.1.

A copy of the [Settlement Agreement](#) is available on the MFDA website at www.mfda.ca. During the period described in the Settlement Agreement, Lynn carried on business in the St. Catharines, Ontario area.

The Hearing Panel advised that it will issue its written reasons for all three (3) proceedings in due course.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 102 Members and their approximately 83,000 Approved Persons with a mandate to protect investors and the public interest. For more information about the MFDA's complaint and enforcement processes, as well as links to 'Check an Advisor' and other Investor Tools, visit the [For Investors](#) page on the MFDA website.

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