



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

**IN THE MATTER OF A SETTLEMENT HEARING
PURSUANT TO SECTION 24.4 OF BY-LAW NO. 1 OF
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

Re: Azmina Suleman

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. Staff of the Mutual Fund Dealers Association of Canada (“Staff”) and the Respondent, Azmina Suleman (the “Respondent”), consent and agree to settlement of this matter by way of this agreement (the “Settlement Agreement”).

2. Staff conducted an investigation of the Respondent’s activities which disclosed activity for which the Respondent could be penalized on the exercise of the discretion of the Hearing Panel pursuant to s. 24.1 of By-law No. 1.

II. JOINT SETTLEMENT RECOMMENDATION

3. Staff and the Respondent jointly recommend that the Hearing Panel accept the Settlement Agreement.

4. The Respondent admits to the following violations of the By-laws, Rules or Policies of the MFDA:

- a) between November 2015 and November 2016, the Respondent signed the signatures of 12 clients on 89 account forms, and submitted the forms to the Member for processing, contrary to MFDA Rule 2.1.1.

5. Staff and the Respondent agree and consent to the following terms of settlement:

- a) the Respondent shall be prohibited from conducting securities related business in any capacity while in the employ of or associated with any MFDA Member for a period of 3 years pursuant to s. 24.1.1(e) of MFDA By-Law No. 1;
- b) the Respondent shall pay a fine in the amount of \$10,000 in certified funds upon acceptance of the Settlement Agreement, pursuant to s. 24.1.1.(b) of MFDA By-law No. 1;
- c) the Respondent shall pay costs in the amount of \$2,500 in certified funds upon acceptance of the Settlement Agreement, pursuant to s. 24.2 of MFDA By-law No. 1;
- d) the payment by the Respondent of the Fine and Costs shall be made to and received by MFDA Staff in certified funds as follows:
 - i. \$2,500 (Costs) upon acceptance of the Settlement Agreement by the Hearing Panel;
 - ii. \$1,666.67 (Fine) on or before the last business day of the 1st month following the date of the acceptance of the Settlement Agreement by the Hearing Panel;
 - iii. \$1,666.67 (Fine) on or before the last business day of the 2nd month following the date of the acceptance of the Settlement Agreement by the Hearing Panel;
 - iv. \$1,666.67 (Fine) on or before the last business day of the 3rd month following the date of the acceptance of the Settlement Agreement by the Hearing Panel;
 - v. \$1,666.67 (Fine) on or before the last business day of the 4th month following the date of the acceptance of the Settlement Agreement by the Hearing Panel;

- vi. \$1,666.67 (Fine) on or before the last business day of the 5th month following the date of the acceptance of the Settlement Agreement by the Hearing Panel;
- vii. \$1,666.65 (Fine) on or before the last business day of the 6th month following the date of the acceptance of the Settlement Agreement by the Hearing Panel;
- e) the Respondent shall in the future comply with MFDA Rule 2.1.1; and
- f) the Respondent will attend in person, on the date set for the Settlement Hearing.

6. Staff and the Respondent agree to the settlement on the basis of the facts set out in Part III herein and consent to the making of an Order in the form attached as Schedule “A”.

III. AGREED FACTS

Registration History

7. From November 2013 to October 2016 the Respondent was registered in Alberta as a mutual fund salesperson (now known as a dealing representative) with Royal Mutual Funds Inc. (“Royal Mutual”), a Member of the MFDA.

8. In October 2016, Royal Mutual terminated the Respondent’s registration as a result of the matters which are the subject of this Settlement Agreement.

9. From January 1996 until November 2013, the Respondent was registered in Alberta as a mutual fund salesperson with TD Investment Services Inc., a Member of the MFDA.

10. At all material times, the Respondent conducted business in the Calgary, Alberta area.

11. The Respondent is not currently registered in the securities industry in any capacity.

Falsified Client Signatures

12. At all material times, Royal Mutual's policies and procedures prohibited its Approved Persons, including the Respondent, from falsifying financial or business records, including client documentation.

13. Between November 2015 and November 2016, the Respondent signed the signatures of 12 clients on 89 account forms, and submitted the forms to Royal Mutual for processing.

14. The account forms with falsified client signatures consisted of:

- a) 13 Know Your Client forms;
- b) 2 beneficiary change acknowledgment forms;
- c) 51 contribution acknowledgement forms;
- d) 1 investment switch acknowledgement form;
- e) 8 pre-authorized chequing change acknowledgement forms;
- f) 2 redemption acknowledgement forms;
- g) 10 registered plan pre-authorized payment forms; and
- h) 2 switch acknowledgement forms.

Royal Mutual's Investigation

15. In October 2016, the corporate security department of the Royal Bank of Canada notified Royal Mutual that it identified inconsistencies in client signatures with respect to a mutual fund client. Royal Mutual subsequently commenced an investigation and identified the remaining falsified forms that are the subject of this Settlement Agreement.

16. As part of its investigation, Royal Mutual attempted to contact the 12 clients for which falsified signatures were identified. Out of the 12 clients, 10 responded as follows:

- a) 9 clients confirmed that the signatures on the account forms were not theirs; and

- b) 1 client stated that she authorized the Respondent to sign account forms on her behalf.

17. On or about October 31, 2016, as a result of its investigation, Royal Mutual terminated the Respondent's mutual fund registration.

Additional Factors

18. There is no evidence that the Respondent received any financial benefit from engaging in the misconduct described above beyond any commissions and fees that she would ordinarily be entitled to receive had the transactions been carried out in the proper manner.

19. The Respondent states that she is impecunious and unable to contribute any additional amounts towards a fine in this matter. The Respondent acknowledges that absent her limited ability to pay, it would have been appropriate for her to be subject to a penalty that included a greater fine due to the conduct that is the subject of this Settlement Agreement.

20. The Respondent states that she is actively seeking employment following the termination of her mutual fund registration with Royal Mutual.

21. There is no evidence of any client loss or that the transactions were unauthorized.

22. The Respondent has not previously been the subject of MFDA disciplinary proceedings.

23. By entering into this Settlement Agreement, the Respondent has saved the MFDA the time, resources, and expenses associated with conducting a full hearing of the allegations.

IV. ADDITIONAL TERMS OF SETTLEMENT

24. This settlement is agreed upon in accordance with section 24.4 of MFDA By-law No. 1 and Rules 14 and 15 of the MFDA Rules of Procedure.

25. The Settlement Agreement is subject to acceptance by the Hearing Panel which shall be sought at a hearing (the “Settlement Hearing”). At, or following the conclusion of, the Settlement Hearing, the Hearing Panel may either accept or reject the Settlement Agreement. MFDA Settlement Hearings are typically held in the absence of the public pursuant to section 20.5 of MFDA By-law No. 1 and Rule 15.2(2) of the MFDA Rules of Procedure. If the Hearing Panel accepts the Settlement Agreement, then the proceeding will become open to the public and a copy of the decision of the Hearing Panel and the Settlement Agreement will be made available at www.mfda.ca.

26. The Settlement Agreement shall become effective and binding upon the Respondent and Staff as of the date of its acceptance by the Hearing Panel. Unless otherwise stated, any monetary penalties and costs imposed upon the Respondent are payable immediately, and any suspensions, revocations, prohibitions, conditions or other terms of the Settlement Agreement shall commence, upon the effective date of the Settlement Agreement.

27. Staff and the Respondent agree that if this Settlement Agreement is accepted by the Hearing Panel:

- a) the Settlement Agreement will constitute the entirety of the evidence to be submitted respecting the Respondent in this matter;
- b) the Respondent waives any rights to a full hearing, a review hearing before the Board of Directors of the MFDA or any securities commission with jurisdiction in the matter under its enabling legislation, or a judicial review or appeal of the matter before any court of competent jurisdiction;
- c) Staff will not initiate any proceeding under the By-laws of the MFDA against the Respondent in respect of the facts and contraventions described in this Settlement Agreement. Nothing in this Settlement Agreement precludes Staff from investigating or initiating proceedings in respect of any facts and contraventions that are not set out in this Settlement Agreement. Furthermore, nothing in this

Settlement Agreement shall relieve the Respondent from fulfilling any continuing regulatory obligations;

- d) the Respondent shall be deemed to have been penalized by the Hearing Panel pursuant to s. 24.1.2 of By-law No. 1 for the purpose of giving notice to the public thereof in accordance with s. 24.5 of By-law No. 1; and
- e) neither Staff nor the Respondent will make any public statement inconsistent with this Settlement Agreement. Nothing in this section is intended to restrict the Respondent from making full answer and defence to any civil or other proceedings against the Respondent.

28. If, for any reason, this Settlement Agreement is not accepted by the Hearing Panel, each of Staff and the Respondent will be entitled to any available proceedings, remedies and challenges, including proceeding to a disciplinary hearing pursuant to sections 20 and 24 of By-law No. 1, unaffected by the Settlement Agreement or the settlement negotiations.

29. Staff and the Respondent agree that the terms of the Settlement Agreement, including the attached Schedule “A”, will be released to the public only if and when the Settlement Agreement is accepted by the Hearing Panel.

30. The Settlement Agreement may be signed in one or more counterparts which together shall constitute a binding agreement. A facsimile copy of any signature shall be effective as an original signature.

DATED this 2nd day of October, 2018.

“Azmina Suleman”

Azmina Suleman

“CC”

Witness – Signature

CC

Witness – Print Name

“Shaun Devlin”

Shaun Devlin
Staff of the MFDA
Per: Shaun Devlin
Senior Vice-President,
Member Regulation – Enforcement

Schedule “A”

**Order
File No.**



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THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

Re: Azmina Suleman

ORDER

WHEREAS on [date], the Mutual Fund Dealers Association of Canada (the “MFDA”) issued a Notice of Settlement Hearing pursuant to section 24.4 of By-law No. 1 in respect of Azmina Suleman (the “Respondent”);

AND WHEREAS the Respondent entered into a settlement agreement with Staff of the MFDA, dated [date] (the “Settlement Agreement”), in which the Respondent agreed to a proposed settlement of matters for which the Respondent could be disciplined pursuant to ss. 20 and 24.1 of By-law No. 1;

AND WHEREAS the Hearing Panel is of the opinion that the Respondent:

- a) between November 2015 and November 2016, signed the signatures of 12 clients on 89 account forms, and submitted the forms to the Member for processing, contrary to MFDA Rule 2.1.1.

IT IS HEREBY ORDERED THAT the Settlement Agreement is accepted, as a consequence of which:

1. The Respondent shall be prohibited from conducting securities related business in any capacity while in the employ of or associated with any MFDA Member for a period of 3 years pursuant to s. 24.1.1(e) of MFDA By-Law No. 1;

2. The Respondent shall pay a fine in the amount of \$10,000 in certified funds upon acceptance of the Settlement Agreement, pursuant to s. 24.1.1.(b) of MFDA By-law No. 1;

3. The Respondent shall pay costs in the amount of \$2,500 in certified funds upon acceptance of the Settlement Agreement, pursuant to s. 24.2 of MFDA By-law No. 1;

4. The payment by the Respondent of the Fine and Costs shall be made to and received by MFDA Staff in certified funds as follows:

- a) \$2,500 (Costs) upon acceptance of the Settlement Agreement by the Hearing Panel;
- b) \$1,666.67 (Fine) on or before the last business day of the 1st month following the date of the acceptance of the Settlement Agreement by the Hearing Panel;
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- d) \$1,666.67 (Fine) on or before the last business day of the 3rd month following the date of the acceptance of the Settlement Agreement by the Hearing Panel;
- e) \$1,666.67 (Fine) on or before the last business day of the 4th month following the date of the acceptance of the Settlement Agreement by the Hearing Panel;
- f) \$1,666.67 (Fine) on or before the last business day of the 5th month following the date of the acceptance of the Settlement Agreement by the Hearing Panel; AND
- g) \$1,666.65 (Fine) on or before the last business day of the 6th month following the date of the acceptance of the Settlement Agreement by the Hearing Panel;

5. The Respondent shall in the future comply with MFDA Rule 2.1.1; and

6. If at any time a non-party to this proceeding, with the exception of the bodies set out in section 23 of MFDA By-law No. 1, requests production of or access to exhibits in this proceeding that contain personal information as defined by the MFDA Privacy Policy, then the MFDA Corporate Secretary shall not provide copies of or access to the requested exhibits to the non-party without first redacting from them any and all personal information, pursuant to Rules 1.8(2) and (5) of the MFDA *Rules of Procedure*.

DATED this [day] day of [month], 20[].

Per: _____
[Name of Public Representative], Chair

Per: _____
[Name of Industry Representative]

Per: _____
[Name of Industry Representative]

DM 644211