



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

NEWS RELEASE

For immediate release

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MFDA Hearing Panel makes findings and imposes sanctions against Sharon Fauth

October 27, 2016 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada (“MFDA”) commenced a disciplinary proceeding in respect of Sharon June Fauth (the “Respondent”) by Notice of Hearing (the “Notice of Hearing”) dated February 11, 2016.

The hearing of this matter on its merits took place on October 26, 2016 in Calgary, Alberta before a three-person Hearing Panel of the MFDA’s Prairie Regional Council. Prior to the hearing, the parties filed an Agreed Statement of Facts (the “Agreed Statement of Facts”) in which the Respondent admitted to facts constituting contraventions of MFDA By-laws, Rules or Policies, for which she could be penalized by a Hearing Panel pursuant to section 24.1 of MFDA By-law No. 1.

In particular, the Respondent admitted that she:

- a) had and continued in other gainful occupations that were not disclosed to or approved by the Member, in respect of her activities relating to Fairwest, Espoir, Keylink (also known as 1555989), and 1555986, contrary to MFDA Rules 1.2.1(c) (formerly MFDA Rule 1.2.1(d)), 2.4.2, and 2.1.1; and
- b) failed to disclose conflicts or potential conflicts of interest to the Member and ensure the conflicts were addressed by the exercise of responsible business judgment influenced only by the best interests of the clients, contrary to MFDA Rule 2.1.4 and 2.1.1.

Following submissions from the parties with respect to penalty, the Hearing Panel imposed the following sanctions on the Respondent and advised that it will issue written reasons in due course:

- a fine in the amount of \$20,000;
- a suspension from conducting securities related business in any capacity while in the employ of or associated with any MFDA Member for a period of three (3) years, commencing from the date of the Hearing Panel's Order; and
- costs in the amount of \$5,000.

Copies of the [Notice of Hearing](#) and the [Agreed Statement of Facts](#) are available on the MFDA website at www.mfda.ca. During the period described in the Agreed Statement of Facts, the Respondent carried on business in Calgary, Alberta.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 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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