



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

**IN THE MATTER OF A DISCIPLINARY HEARING  
PURSUANT TO SECTIONS 20 AND 24 OF BY-LAW NO. 1 OF  
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

**Re: Edgar Mahilum**

---

**ORDER**

---

**WHEREAS** on June 22, 2012, the Mutual Fund Dealers Association of Canada (the “MFDA”) issued a Notice of Hearing pursuant to sections 20 and 24 of MFDA By-law No. 1 (the “Notice of Hearing”) in respect of a disciplinary proceeding commenced against Edgar Mahilum (the “Respondent”);

**AND WHEREAS** on July 10, 2012, the Respondent was properly served with the Notice of Hearing as appears from the Affidavit of Service of Richard Henderson sworn July 10, 2012;

**AND WHEREAS** on August 8, 2012, the Respondent filed a Reply to the Notice of Hearing despite the time for doing so having expired pursuant to Rule 8.1 of the MFDA *Rules of Procedure*;

**AND WHEREAS** on August 9, 2012, the first appearance in this matter (the “First Appearance”) was held before a panel of the Central Regional Council of the MFDA (the “Hearing Panel”) and thereafter the hearing of this matter on its merits was scheduled to take place on October 9, 2012 (the “Hearing on the Merits”);

**AND WHEREAS** the Respondent participated in the First Appearance by teleconference;

**AND WHEREAS** on October 9, 2012, the Hearing Panel conducted the Hearing on the Merits;

**AND WHEREAS** the Respondent did not attend or otherwise participate in the Hearing on the Merits despite having been properly served with the Notice Hearing, having filed a Reply and having participated in the First Appearance;

**AND WHEREAS** in the opinion of the Hearing Panel:

- a) between January 1, 2004 and December 31, 2008, the Respondent engaged in securities related business that was not carried on for the account and through the facilities of the Member by recommending, selling or facilitating the sale of investments in the total amount of approximately \$375,000 to client PS and individuals BR and GB outside the Member, contrary to MFDA Rules 1.1.1(a) and 2.1.1;
- b) on or about September 5, 2008, the Respondent provided false and misleading information to the Member in response to the Member's inquiry regarding a client redemption, thereby failing to observe high standards of ethics and conduct in the transaction of business and be of such character and business repute as is consistent with the standards prescribed by MFDA Rule 2.1.1; and
- c) commencing on or about October 19, 2011, the Respondent has failed to provide documents and information as requested by MFDA Staff during the course of an investigation, contrary to section 22 of MFDA By-law No. 1.

**IT IS HEREBY ORDERED THAT:**

1. The Respondent shall :

- a) be permanently prohibited from conducting securities related business in any capacity while in the employ of, or in association with, any Member of the MFDA, pursuant to s. 24.1.1(e) of MFDA By-law No. 1;
- b) pay a global fine in the amount of \$125,000, pursuant to s. 24.1.1(b) of MFDA By-law No. 1; and
- c) pay costs in the amount of \$7,500, pursuant to s. 24.2 of MFDA By-law No. 1.

2. If at any time a non-party to this proceeding requests production of, or access to, any materials filed in, or the record of, this proceeding, including all exhibits and transcripts, then the MFDA Corporate Secretary shall not provide copies of, or access to, the requested documents to the non-party without first redacting from them any and all intimate financial or personal information, pursuant to Rules 1.8(2) and (5) of the MFDA *Rules of Procedure*.

**DATED** this 17<sup>th</sup> day of October, 2012.

“John B. Webber”

---

The Hon. John B. Webber, Q.C.,  
Chair

“Terrence Bourne”

---

Terrence Bourne,  
Industry Representative

“Dena Norton”

---

Dena Norton,  
Industry Representative