



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: Tadeusz (“Ted”) Bytnar

ORDER

WHEREAS on June 30, 2010, the Mutual Fund Dealers Association of Canada (“MFDA”) issued a Notice of Hearing pursuant to sections 20 and 24 of MFDA By-law No. 1 in respect of a disciplinary proceeding commenced against Tadeusz (“Ted”) Bytnar (the “Respondent”);

AND WHEREAS a hearing on the merits of this matter was conducted on February 9 and 10, 2011 (“Hearing”) in Calgary, Alberta, before a hearing panel of the Prairie Regional Council of the MFDA (“Hearing Panel”);

AND WHEREAS the Respondent did not file a Reply in these proceedings; did not attend at the Hearing; was not represented by counsel at the Hearing; and did not otherwise participate in the Hearing;

AND WHEREAS the Hearing Panel considered the evidence, including:

- the affidavit of James Chee (“Mr. Chee”) with attached exhibits numbered 1-36, sworn February 2, 2011;
- the evidence given by Mr. Chee in person at the Hearing;

- other affidavits and materials filed and marked as exhibits at the Hearing; and
- the written and oral submissions of Staff of the MFDA.

AND WHEREAS the Hearing Panel finds that the Respondent:

- (i) in 2003 and 2005, the Respondent engaged in securities related business that was not carried on for the account of the Member and through the facilities of the Member by selling, referring, or facilitating the sale of an investment product that was not approved for sale by the Member to four individuals, two of whom were clients of the Member, contrary to MFDA Rules 1.1.1, 2.4.2 and 2.1.1;
- (ii) in 2003 and 2005, the Respondent engaged in a dual occupation that was not disclosed to and approved by the Member by selling, referring or facilitating the sale of an investment product to four individuals, two of whom were clients of the Member, contrary to MFDA Rules 1.2.1(c) and 2.1.1;
- (iii) in 2008 and 2009, the Respondent interfered with the ability of the Member to conduct a reasonable supervisory investigation of the Respondent's conduct by providing false and misleading responses to the Member in the course of its investigation, contrary to MFDA Rules 1.1.2 and 2.5.1, and 2.1.1; and
- (iv) commencing August 2009, by failing to comply with a request by MFDA Staff that he provide copies of bank statements for the material time under investigation, the Respondent failed to cooperate with an MFDA investigation, contrary to section 22.1 of MFDA By-law No. 1.

IT IS HEREBY ORDERED THAT:

1. The Respondent is permanently prohibited from conducting securities related business in any capacity while in the employ of or associated with any MFDA Member, pursuant to s. 24.1.1(e) of MFDA By-Law No. 1;
2. The Respondent shall pay a fine in the amount of :
 - (i) \$50,000 for failure to cooperate with an MFDA investigation;
 - (ii) \$90,000 for securities related business outside the Member/ undisclosed dual

occupation; and

(iii) \$10,000 for interfering with the Member's ability to conduct a reasonable supervisory investigation.

pursuant to s. 24.1.1(b) of MFDA By-Law No. 1;

3. The Respondent shall pay costs in the amount of \$7,500, pursuant to s. 24.2 of MFDA By-Law No. 1;
4. If a non-party to this proceeding requests production of or access to exhibits in this proceeding that contain intimate financial or personal information, 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 intimate financial or personal information, pursuant to Rules 1.8(2) and (5) of the MFDA Rules of Procedure.

DATED this 10th day of February, 2011.

“Mary Hetherington”

The Hon. Mary Hetherington, Q.C.,
Chair

“Patricia Kloepfer”

Patricia Kloepfer,
Industry Representative

“Kathleen Jost”

Kathleen Jost,
Industry Representative