



## NEWS RELEASE

*For immediate release*

*For further information, please contact:*

Charles Toth  
Director, Litigation  
416-943-4619  
[ctoath@mfdca.ca](mailto:ctoath@mfdca.ca)

Mark Stott  
Vice-President, Prairie Region  
403-215-8329  
[mstott@mfdca.ca](mailto:mstott@mfdca.ca)

## **MFDA announces disciplinary proceeding in respect of Sharon Fauth**

**March 7, 2016** (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada (“MFDA”) has commenced disciplinary proceedings in respect of Sharon June Fauth (the “Respondent”). In its Notice of Hearing dated February 11, 2016, Staff of the MFDA alleges that the Respondent engaged in the following conduct contrary to the By-laws, Rules and/or Policies of the MFDA:

**Allegation #1:** Between October 2003 and January 2014, the Respondent had and continued in other gainful occupations that were not disclosed to or approved by the Member, in respect of the Respondent’s activities relating to Fairwest Energy Corporation, Espoir Capital Corporation, Keylink Enterprises Inc. (also known as 1555989 Alberta Ltd.), and 1555986 Alberta Ltd., contrary to MFDA Rules 1.2.1(c) (formerly MFDA Rule 1.2.1(d)), 2.4.2 and 2.1.1.

**Allegation #2:** Commencing no later than February 22, 2012, the Respondent knew or ought to have known that clients had invested in Fairwest Energy Corporation and Espoir Capital Corporation, thereby creating a conflict or potential conflict between the interests of the Respondent and the interests of the clients which the Respondent failed to disclose to the Member and ensure was addressed by the exercise of responsible business judgment influenced only by the best interests of the client, contrary to MFDA Rules 2.1.4 and 2.1.1.

**Allegation #3:** Between January 2014 and February 2014, the Respondent interfered with the Member’s supervisory investigation into the Respondent’s dual occupations by sending a letter to her clients with respect to the Member’s ongoing investigation, without the Member’s approval, contrary to MFDA Policy No. 3 and Rule 2.1.1.

The first appearance in this proceeding, originally scheduled to be held on March 21, 2016, will now take place by teleconference before a Hearing Panel of the MFDA’s Prairie Regional Council on April 6, 2016 at 10:00 a.m. (Mountain), or as soon thereafter as the matter can be heard, in order to schedule a date for the commencement of the hearing on the merits and to address any other procedural matters. The first appearance will take place in the hearing room at

the MFDA offices, located at 800 - 6<sup>th</sup> Avenue S.W., Suite 850, Calgary, Alberta, and will be open to the public, except as may be required for the protection of confidential matters. The Hearing on the Merits will take place in Calgary, Alberta at a time and venue to be announced.

A copy of the [Notice of Hearing](#) is available on the MFDA website at [www.mfda.ca](http://www.mfda.ca). During the period described in the Notice of Hearing, 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.

-30-

DM 470895 v1