



NEWS RELEASE

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MFDA announces settlement hearing to take place in the matter of Mervyn Fried

October 15, 2014, (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada (“MFDA”) commenced a disciplinary proceeding in respect of Mervyn Jacheil Fried (the “Respondent”) by Notice of Hearing (the “Notice of Hearing”) dated December 16, 2013.

As the result of a settlement agreement entered into between Staff of the MFDA and the Respondent, the settlement hearing in this matter will take place on October 15, 2014, commencing at 11:30 a.m. (Eastern), in the hearing room located at 121 King Street West, Suite 1000, Toronto, Ontario.

The subject matter of the proposed settlement agreement concerns matters for which the Respondent may be disciplined pursuant to ss. 20 and 24.1 of By-law No. 1 of the MFDA. The proposed settlement agreement concerns allegations that the Respondent:

- a) failed to obtain a signed and dated New Account Application Form from two clients when he opened two new joint accounts on their behalf contrary to MFDA Rule 2.2.2;
- b) failed to collect accurate and complete Know Your Client information relative to the new joint accounts contrary to MFDA Rule 2.2.1(a);
- c) engaged in authorized discretionary trading when he executed purchase transactions in the new joint accounts contrary to MFDA Rules 2.3 and 2.1.1;
- d) failed to ensure the suitability of trades that he processed in the two joint accounts of the clients, contrary to MFDA Rules 2.2.1 and 2.1.1;
- e) directly received fees for services in respect of business conducted on behalf of the Member that was not processed through the books and records of the Member contrary to MFDA Rules 2.4.1, 1.1.1(b) and 2.1.1; and

- f) obtained and maintained pre-signed forms from clients and processed trades for clients using pre-signed forms and photocopied signatures of clients of the Member, contrary to MFDA Rules 2.3 and 2.1.1.

The hearing will be open to the public, unless and to the extent that the Hearing Panel determines that all or part of the hearing should proceed in the absence of the public. If the Hearing Panel accepts the settlement agreement, then a copy of the decision of the Hearing Panel and the settlement agreement will be made available to the public.

A copy of the [Notice of Hearing](#) is available on the MFDA website at www.mfda.ca. During the period described in the Notice of Hearing, the Respondent carried on business in Vaughan, Ontario.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 108 Members and their approximately 80,000 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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