



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

NEWS RELEASE

For immediate release

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MFDA issues Notice of Settlement Hearing in respect of WFG Securities Inc.

April 25, 2016 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada (“MFDA”) announced that it has issued a Notice of Settlement Hearing regarding the presentation, review and consideration of a proposed settlement agreement by a Hearing Panel of the MFDA’s Central Regional Council.

The settlement agreement will be between Staff of the MFDA and WFG Securities Inc. (the “Respondent”) and involves matters for which the Respondent may be disciplined by a Hearing Panel pursuant to MFDA By-laws. The proposed settlement agreement concerns the allegations that:

- (a) between November 1, 2010 and January 31, 2013, the Respondent failed to record client information and/or transaction details for scholarship plans on its back office system and/or failed to maintain trade blotters that included scholarship plan transactions, and thereby failed to facilitate branch and head office supervision of the scholarship plan client account activities, contrary to MFDA Rule 5.1 and MFDA Policy No. 2;
- (b) between November 1, 2010 and January 31, 2013, the Respondent failed to establish, implement and maintain policies and procedures for the supervision of client activity in scholarship plans, thereby failing to ensure the handling of its business was in accordance with the By-laws, Rules and Policies and with applicable securities legislation, contrary to MFDA Rules 2.5.1, MFDA Policy No. 2 and MFDA Policy No. 5; and
- (c) between November 1, 2010 and January 31, 2013, the Respondent failed to require its Approved Persons to complete the Respondent’s Know-Your-Client (“KYC”) forms and/or obtain KYC information for clients opening scholarship plans, thereby failing to use due diligence to learn the essential facts relative to each client and to each order or account accepted, contrary to MFDA Rules 2.2.1 and 2.2.2, and MFDA Policy No. 2.

The settlement hearing is scheduled to take place on May 4, 2016, commencing at 10:00 a.m. (Eastern), or as soon thereafter as the matter can be heard, in the hearing room at the offices of the MFDA, located at 121 King Street West, Suite 1000, Toronto, Ontario. 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 Settlement Hearing](#) is available on the MFDA website at www.mfda.ca. During the period described in the Notice of Settlement Hearing, the Respondent was registered as a mutual fund dealer in all provinces and territories.

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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