



NEWS RELEASE

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MFDA Hearing Panel issues Reasons for Decision in the matter of Charles Martin

November 14, 2016 (Toronto, Ontario) – A Hearing Panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada (“MFDA”) has issued its Reasons for Decision (“Reasons for Decision”) in connection with a disciplinary hearing held in Toronto, Ontario on October 12, 2016 in the matter of Charles Albert Martin (the “Respondent”). In its Reasons for Decision dated November 11, 2016, the Hearing Panel outlines its reasons for the findings made against the Respondent as well as the sanctions imposed. In particular, the Hearing Panel found that the Respondent:

Allegation #4: Between February 6, 2013 and September 20, 2013, disregarded directives from the Member to cease charging service fees or engaging in fee for service activities with clients outside the Member, and then mislead the Member about accepting service fees and engaging in fee for service activities with clients, thereby interfering with the ability of the Member to supervise the Respondent and comply with its obligations under MFDA Rule 2.9 and MFDA Policy No. 4, contrary to MFDA Rules 1.1.2, 1.1.5, 2.10 and 2.1.1.

Allegation #5: On May 29, 2014, mislead Staff during the course of its investigation when he falsely stated during an interview with Staff that he had ceased charging service fees to clients in December 2012, contrary to section 22.1 of MFDA By-law No. 1.

Allegation #6: Between 2004 and September 20, 2013, solicited clients JM and DM to appoint a corporation that he controlled as a trustee in the clients’ Will, and thereafter failed to renounce or disclose the appointment to the Member, thereby giving rise to a conflict or potential conflict of interest between the Respondent and clients JM and DM which he failed to address by the exercise of responsible business judgment influenced only by the best interests of clients JM and DM, contrary to MFDA Rules 2.3.1, 2.1.4 and 2.1.1.

The Hearing Panel imposed the following sanctions on the Respondent:

- a permanent prohibition from conducting securities related business in any capacity over which the MFDA has jurisdiction;

- shall pay, no later than 6 months after the date of the Hearing Panel’s Order, a fine in the amount of \$75,000; and
- shall pay, no later than 6 months after the date of the Hearing Panel’s Order, costs of this proceeding in the amount of \$7,500.

A copy of the [Reasons for Decision](#) is available on the MFDA website at www.mfda.ca. During the period described in the Reasons for Decision, the Respondent conducted business in Kitchener, Ontario.

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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