



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: Mohabeer Rambarran

NOTICE OF HEARING

NOTICE is hereby given that a first appearance will take place by teleconference before a hearing panel of the Central Regional Council (the “Hearing Panel”) of the Mutual Fund Dealers Association of Canada (the “MFDA”) in the hearing room at the offices of the MFDA, located at 121 King Street West, Suite 1000, Toronto, Ontario on June 23, 2016 at 9:30 a.m. (Eastern), or as soon thereafter as the appearance can be held, concerning a disciplinary proceeding commenced by the MFDA against Mohabeer Rambarran (the “Respondent”).

DATED this 28th day of March, 2016.

“Sarah Rickard”

Sarah Rickard
Director of Regional Councils

Mutual Fund Dealers Association of Canada
121 King Street West, Suite 1000
Toronto, ON M5H 3T9
Telephone: 416-945-5143
Facsimile: 416-361-9781
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NOTICE is further given that the MFDA alleges the following violations of the By-laws, Rules or Policies of the MFDA:

Allegation #1: Between September 2006 and August 2014, the Respondent obtained, possessed, and in some instances, used to process transactions, 51 pre-signed account forms in respect of 22 clients, contrary to MFDA Rule 2.1.1.

Allegation #2: Between September 2006 and August 2014, the Respondent falsified, and in some instances, used to process transactions, 13 account forms in respect of 10 clients by altering information on the forms without having the clients initial the alterations, contrary to MFDA Rule 2.1.1.

Allegation #3: Between September 2006 and August 2014, the Respondent, acting in the capacity of branch manager, reviewed and approved the use of 54 pre-signed and falsified account forms, contrary to MFDA Rules 2.5.5(f)¹ and 2.1.1.

PARTICULARS

NOTICE is further given that the following is a summary of the facts alleged and intended to be relied upon by the MFDA at the hearing:

Registration History

1. Since November 1995, the Respondent has been registered in Ontario as a mutual fund salesperson (now known as a Dealing Representative) with PFSL Investments Canada Ltd. (“PFSL”), a Member of the MFDA.

2. At all material times, PFSL designated the Respondent as the alternate branch manager in his current branch.

¹ Prior to September 2013, the Respondent’s conduct violated MFDA Rule 2.5.5(d); prior to December 2010, the Respondent’s conduct violated MFDA Rule 2.5.3(b).

3. At all material times, the Respondent conducted business in the Vaughan, Ontario area.

Pre-Signed Account Forms

4. At all material times, PFSL's policies and procedures prohibited its Approved Persons, including the Respondent, from holding, obtaining or using pre-signed account forms.

5. Between September 2006 and August 2014, the Respondent obtained, possessed, and in some instances, used to process transactions, 51 redemption forms in respect of 22 clients (the "Pre-Signed Account Forms").

6. The Respondent submitted 45 of the Pre-Signed Account Forms to PFSL for processing.

7. By virtue of the foregoing, the Respondent failed to observe a high standard of conduct and ethics in the transaction of business and engaged in conduct unbecoming an Approved Person, contrary to MFDA Rule 2.1.1.

Falsified Forms

8. Between September 2006 and August 2014, the Respondent falsified, and in some instances, used to process transactions, 13 client account forms in respect of 10 clients (the "Falsified Forms").

9. The Respondent submitted 12 of the Falsified Forms to PFSL to process transactions in client accounts.

10. The Respondent falsified the account forms by altering information on the forms without having the clients initial the changes.

11. By virtue of the foregoing, the Respondent failed to observe a high standard of conduct and ethics in the transaction of business and engaged in conduct unbecoming an Approved Person, contrary to MFDA Rule 2.1.1.

Approval of Pre-Signed and Falsified Forms

12. Between September 2006 and August 2014, the Respondent, acting in the capacity of alternate branch manager, reviewed and approved the use of 54 of the Pre-Signed Account Forms and Falsified Forms described above in paragraphs 4-11.

13. By virtue of the foregoing, the Respondent failed to fulfil his responsibilities as a branch manager, contrary to MFDA Rule 2.5.5(f) (see footnote 1), and failed to observe a high standard of conduct and ethics in the transaction of business and engaged in conduct unbecoming an Approved Person, contrary to MFDA Rule 2.1.1.

NOTICE is further given that the Respondent shall be entitled to appear and be heard and be represented by counsel or agent at the hearing and to make submissions, present evidence and call, examine and cross-examine witnesses.

NOTICE is further given that MFDA By-laws provide that if, in the opinion of the Hearing Panel, the Respondent:

- has failed to carry out any agreement with the MFDA;
- has failed to comply with or carry out the provisions of any federal or provincial statute relating to the business of the Member or of any regulation or policy made pursuant thereto;
- has failed to comply with the provisions of any By-law, Rule or Policy of the MFDA;
- has engaged in any business conduct or practice which such Regional Council in its discretion considers unbecoming or not in the public interest; or
- is otherwise not qualified whether by integrity, solvency, training or experience,

the Hearing Panel has the power to impose any one or more of the following penalties:

- (a) a reprimand;
- (b) a fine not exceeding the greater of:
 - (i) \$5,000,000.00 per offence; and
 - (ii) an amount equal to three times the profit obtained or loss avoided by such person as a result of committing the violation;
- (c) suspension of the authority of the person to conduct securities related business for such specified period and upon such terms as the Hearing Panel may determine;
- (d) revocation of the authority of such person to conduct securities related business;
- (e) prohibition of the authority of the person to conduct securities related business in any capacity for any period of time;
- (f) such conditions of authority to conduct securities related business as may be considered appropriate by the Hearing Panel;

NOTICE is further given that the Hearing Panel may, in its discretion, require that the Respondent pay the whole or any portion of the costs of the proceedings before the Hearing Panel and any investigation relating thereto.

NOTICE is further given that the Respondent must **serve a Reply** on Enforcement Counsel and **file a Reply** with the Office of the Corporate Secretary within twenty (20) days from the date of service of this Notice of Hearing.

A **Reply** shall be **served** upon Enforcement Counsel at:

Mutual Fund Dealers Association of Canada
121 King Street West, Suite 1000
Toronto, ON M5H 3T9
Attention: Sarah Glickman
Fax: 416-361-9073
Email: sglickman@mfd.ca

A **Reply** shall be **filed** by:

- (a) providing four (4) copies of the **Reply** to the Office of the Corporate Secretary by personal delivery, mail or courier to:

The Mutual Fund Dealers Association of Canada
121 King Street West, Suite 1000
Toronto, ON M5H 3T9
Attention: Office of the Corporate Secretary; or

- (b) transmitting one (1) copy of the **Reply** to the Office of the Corporate Secretary by fax to fax number 416-361-9781, provided that the Reply does not exceed 16 pages, inclusive of the covering page, unless the Office of the Corporate Secretary permits otherwise; or
- (c) transmitting one (1) electronic copy of the **Reply** to the Office of the Corporate Secretary by e-mail at corporatesecretary@mfd.ca.

A **Reply** may either:

- (i) specifically deny (with a summary of the facts alleged and intended to be relied upon by the Respondent, and the conclusions drawn by the Respondent based on the alleged facts) any or all of the facts alleged or the conclusions drawn by the MFDA in the Notice of Hearing; or
- (ii) admit the facts alleged and conclusions drawn by the MFDA in the Notice of Hearing and plead circumstances in mitigation of any penalty to be assessed.

NOTICE is further given that the Hearing Panel may accept as having been proven any facts alleged or conclusions drawn by the MFDA in the Notice of Hearing that are not specifically denied in the **Reply**.

NOTICE is further given that if the Respondent fails:

- (a) to **serve** and **file** a **Reply**; or

(b) attend at the hearing specified in the Notice of Hearing, notwithstanding that a **Reply** may have been served,

the Hearing Panel may proceed with the hearing of the matter on the date and the time and place set out in the Notice of Hearing (or on any subsequent date, at any time and place), without any further notice to and in the absence of the Respondent, and the Hearing Panel may accept the facts alleged or the conclusions drawn by the MFDA in the Notice of Hearing as having been proven and may impose any of the penalties described in the By-laws.

END.

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