



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

**IN THE MATTER OF A SETTLEMENT HEARING
PURSUANT TO SECTION 24.4 OF BY-LAW NO. 1 OF
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

Re: Jennifer Lynn Killins

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. By Notice of Hearing dated July 28, 2011, the Mutual Fund Dealers Association of Canada (the “MFDA”) announced that it proposes to hold a hearing concerning a disciplinary proceeding commenced by the MFDA against the Respondent, Jennifer Lynn Killins (“Respondent”). Staff of the MFDA (“Staff”) and the Respondent propose to make a request to a hearing panel of the Central Regional Council (the “Hearing Panel”) of the MFDA to consider whether, pursuant to section 24.4 of By-law No. 1, the Hearing Panel should accept a settlement agreement (the “Settlement Agreement”) entered into between Staff and the Respondent.

II. JOINT SETTLEMENT RECOMMENDATION

2. Staff conducted an investigation of the Respondent’s activities. The investigation disclosed that the Respondent had engaged in activity for which the Respondent could be penalized on the exercise of the discretion of the Hearing Panel pursuant to s. 24.1 of By-law No. 1.

3. Staff and the Respondent recommend settlement of the matters disclosed by the investigation in accordance with the terms and conditions set out below. The Respondent agrees to the settlement on the basis of the facts set out in Part IV herein and consents to the making of an Order in the form attached as Schedule “A”.

4. Staff and the Respondent agree that the terms of this Settlement Agreement, including the attached Schedule “A”, will be released to the public only if and when the Settlement Agreement is accepted by the Hearing Panel.

III. ACKNOWLEDGEMENT

5. Staff and the Respondent agree with the facts set out in Part IV herein for the purposes of this Settlement Agreement only and further agree that this agreement of facts is without prejudice to the Respondent or Staff in any other proceeding of any kind including, but without limiting the generality of the foregoing, any proceedings brought by the MFDA (subject to Part X) or any civil or other proceedings which may be brought by any other person or agency, whether or not this Settlement Agreement is accepted by the Hearing Panel.

IV. AGREED FACTS

Registration History

6. The Respondent was registered in Ontario as a mutual fund salesperson with Interglobe Financial Services Corp. (“Interglobe”) from May 9, 2006 to May 25, 2009, at which time she was terminated by Interglobe as a result of the events described herein.

7. The Respondent was previously registered as a mutual fund salesperson with Clarica Investco Inc. from June 21, 2001 to May 4, 2006.

8. Interglobe has been a Member of the MFDA since March 8, 2002.

Allegation #1: Personal Financial Dealings with Client RZ

9. While registered with Interglobe, the Respondent conducted business on behalf of

Interglobe using the business name, “Dollars & Sense”, which had been approved by Interglobe in accordance with the requirements of MFDA Rule 2.8. Dollars & Sense was the name of a business owned and operated by the Respondent.

10. RZ was a client of Interglobe. The Respondent was the mutual fund sales person responsible for servicing the account of client RZ.

11. In or about October 2007, the Respondent approached client RZ, seeking to have client RZ invest in her company, Dollars & Sense. At this time, the Respondent and client RZ had discussions about client RZ purchasing investments that would provide a better return than those offered by guaranteed investment certificates. The Respondent represented to client RZ that an investment in Dollars & Sense would be guaranteed.

12. Following the Respondent’s discussions with client RZ in October 2007, client RZ provided the Respondent with a cheque in the amount of \$15,000 made payable to the Respondent, which the Respondent deposited in her personal bank account on or about October 29, 2007.

13. The Respondent prepared and provided RZ with a promissory note (the “First Promissory Note”) dated October 27, 2009 from Dollars & Sense which described the monies that the Respondent had received from client RZ in the following terms:

- (a) client RZ had invested the principal amount of \$15,000 in Dollars & Sense;
- (b) the interest rate was 5.5% per annum;
- (c) no interest payment was due prior to maturity of the Promissory Note on October 29, 2009;
- (d) the principal amount was “secured” by Dollars & Sense; and
- (e) the principal amount was “Guaranteed”.

14. On six more occasions between November 2007 and January 2009, the Respondent solicited and accepted additional monies from client RZ, which amounts were also described as investments in Dollars & Sense. On each occasion, the Respondent deposited the monies she received from client RZ into her personal bank account and provided additional promissory notes

from Dollars & Sense to client RZ on similar terms as the First Promissory Note (collectively, the “Promissory Notes”).

15. In total, the Respondent solicited and accepted \$97,966.22 from client RZ for investment in Dollars & Sense pursuant to the seven separate Promissory Notes as set out below:

<u>No.</u>	<u>Date Invested/Promissory Note</u>	<u>Amount</u>	<u>Interest (%)</u>	<u>Maturity</u>
1	October 29, 2007	\$15,000	5.5	2 years
2	November 16, 2007	\$22,466.22	6	2 years
3	January 18, 2008	\$12,000	4	2 years
4	October 29, 2008	\$4,000	3.5	2 years
5	December 29, 2008	\$2,500	3.5	Open
6	January 5, 2009	\$40,000	3.5	2 years
7	January 16, 2009	\$2,000	3.5	Open
Total		\$97,966.22		

16. In order to provide the Respondent with \$40,000 on January 5, 2009 (Promissory Note #6), client RZ redeemed the net amount of \$40,590.83 from mutual funds held in his account at Interglobe. Client RZ incurred redemption fees of approximately \$2,845.

17. The Respondent deposited all of the monies she received from client RZ into her personal bank account, from which bank account she paid both personal and business expenses.

18. The Respondent completed Interglobe Transaction Forms that set out the amount and terms under which client RZ provided the monies to the Respondent. On some of the Transaction Forms, the Respondent indicated that the monies received from client RZ were for a “Private Loan”. These documents also stated that the investment was a “Guaranteed Personal Loan” (in some instances the Respondent used the acronym “GPL”). The Respondent provided copies of the Transaction Forms to client RZ but did not provide them to Interglobe.

19. Dollars & Sense did not have its own bank account and had few, if any, assets that could have been liquidated or realized upon to pay back the amounts owing on the Promissory Notes should that have been necessary. The Respondent admits that client RZ’s investment(s) in

Dollars & Sense, which she represented to client RZ were “guaranteed”, were in fact secured only by her “word”.

20. The Respondent did not disclose to Interglobe that she had obtained monies from client RZ, had provided RZ with the Promissory Notes, or that she was purporting to sell investments in Dollars & Sense to client RZ.

21. Dollars & Sense was not an investment product approved for sale by Interglobe. Interglobe was not aware that the Respondent was selling investments in Dollars & Sense to client RZ.

22. Interglobe became aware that the Respondent had obtained monies from client RZ as described above after client RZ moved his investments from Interglobe to a different mutual fund dealer.

23. The Respondent prepared a purported account summary printed on “Dollars & Sense” letterhead for a representative of (now former) client RZ’s new mutual dealer that stated that client RZ and his wife had invested the amount of \$97,966.22 by way of the individual investments described at paragraph 15 above. The document also described the monies paid by client RZ to the Respondent as “Guaranteed Personal Investments”.

24. On or about May 19, 2009, a representative of client RZ’s new mutual fund dealer contacted Interglobe about the Respondent’s activities with client RZ.

25. On or about May 26, 2009, client RZ requested that the Respondent return his investment of at least \$97,966.22, which represented the principal amount invested by client RZ through the Respondent in Dollars & Sense.

26. On June 1, 2009, the Respondent gave client RZ a total of \$97,966.22 as repayment of the total principal amount she had received from client RZ pursuant to the Promissory Notes.

Allegation #2: Failure to Cooperate

27. On June 12, 2009, Staff of the MFDA (“Staff”) sent a letter to the Respondent by registered and regular mail that requested that she provide a written statement responding to the allegation that she had provided promissory notes to a client guaranteed by the Respondent’s company.

28. On September 14, 2009, Staff again wrote to the Respondent by registered mail requesting that she provide a written response and certain documents no later than September 23, 2009.

29. On September 23, 2009, the Respondent wrote Staff and advised that she had already responded to Staff’s inquiry and provided the text of the response she claimed to have previously sent to Staff. Staff has no record of receiving any previous response the Respondent claims that she had already sent. On September 23, 2009, the Respondent also promised to fax to Staff the requested documents by September 24 or 25, 2009.

30. On September 28, 2009, the Respondent advised Staff that she would forward a report and supporting documents by registered mail by the next day.

31. Having not received documents from the Respondent, Staff wrote the Respondent on October 15, 2009 by registered and regular mail and advised the Respondent of her obligation to respond to Staff, and requested that she provide documents to assist in the investigation no later than October 31, 2009.

32. On October 27, 2009, the Respondent emailed Staff and advised that she had already replied to Staff’s previous request. She further advised that she would re-send her response to Staff. Staff has no record of having received the Respondent’s response referred to in her October 27, 2009 email. Staff replied to the Respondent on October 27, 2009, and requested that the Respondent provide Staff with the previous response she referred to in her email.

33. Staff received no Response from the Respondent, so Staff emailed the Respondent on November 9, 2009 and advised her that it had not received the Respondent’s response and

requested that she provide the response no later than November 13, 2009.

34. On November 12, 2009, the Respondent sent Staff an email with the subject line "response attached". No response was attached to the Respondent's email, so Staff sent an email to the Respondent on November 13, 2009 and advised the Respondent that there was no attachment to her email and requested that she provide her response that day. On November 15, 2009, the Respondent sent an email and advised that she would re-send the attachment the next day.

35. On November 16, 2009 the Respondent sent an email to Staff that claimed that she was unable to send the attachment because it was too large. The Respondent requested Staff's fax number and stated that she would fax it that morning. Staff provided the Respondent with the fax number.

36. On November 18, 2009, the Respondent sent Staff certain documentation by fax. Later that day, Staff emailed the Respondent and advised her that she had not responded to all of Staff's requests and requested that she provide the missing information/documentation together with copies of certain cheques deposited into her bank account no later than December 2, 2009.

37. On December 3, 2009 Staff received an email from the Respondent stating: *"I have a fax prepared for you with all but the deposits from the bank you requested. I'm still awaiting them from the bank. I was hoping they would be in the mail yesterday. I will send what I have today by fax."*

38. Having not received the documentation from the Respondent, Staff emailed the Respondent on December 7, 2009 and advised that Staff had not received her fax and requested that she send the fax no later than 3:00 p.m. that day. Later that day, the Respondent emailed staff and advised: *"I sent the fax that evening to you. I will resend."* Staff received a further email from the Respondent on December 7, 2009 asking *"Did you receive my fax"*. Staff has no record of receiving the fax the Respondent referred to in her December 7, 2009 email.

39. On December 9, 2009, Staff emailed the Respondent and advised that Staff had still not

received her fax. The Respondent emailed Staff and advised that she was away from her office.

40. On December 15, 2009 the Respondent emailed Staff and advised: *"I'm back, and will be sending the info today. I was not able to scan and email over the weekend"*.

41. Staff still did not receive any documents from the Respondent by December 30, 2009, and therefore, Staff sent a letter to the Respondent that day and advised the Respondent of her obligations to cooperate with Staff's investigation and again requested that she provide her statement and the documents no later than January 8, 2010. In addition Staff requested that the Respondent attend at MFDA offices for an interview on January 22, 2010.

42. The Respondent attended the interview with MFDA Staff on January 22, 2010. During the interview the Respondent undertook to provide Staff with certain documentation and information (the "Undertakings").

43. On January 27, 2010, the Respondent advised Staff that she was "aiming to" have the items requested by Staff by February 1, 2010.

44. By February 3, 2010, Staff had not received the answers to the Undertakings, so on February 3, 2010 Staff emailed the Respondent and requested that she comply with the Undertakings. The Respondent responded that same day and advised that she was waiting to receive information from her bank.

45. On February 19, 2010, the Respondent sent a fax to Staff that indicated that she was sending 19 pages by fax. Staff only received a cover sheet and 10 pages. The cover sheet of the Respondent's fax stated: "other items coming by email".

46. On February 23, 2010, Staff emailed the Respondent and sent a letter by registered mail that requested that the Respondent answer the Undertakings no later than March 8, 2010.

47. On March 8, 2010, the Respondent sent eight emails to Staff that provided various documents. The following day Staff received an email from the Respondent stating that she

would fax additional documents on March 10, 2009. The Respondent's email did not answer the outstanding Undertakings, and on March 9, 2010, Staff emailed the Respondent stating: "*when you send the fax tomorrow please ensure that you provide ALL of the documents that you undertook to provide at your interview.*"

48. On March 12, 2010, the Respondent sent Staff additional documents, which did not answer all the outstanding Undertakings. On March 16, 2010 Staff emailed Respondent and listed for her the Undertakings that remained unanswered and requested that she provide the answers no later than March 31, 2010.

49. On March 31, 2010, the Respondent emailed Staff to advise that she would be sending all the information she had later that day claiming that she was having difficulty obtaining information from her bank. On April 1, 2010, the Respondent emailed Staff and advised that she would fax additional documents the next day.

50. On April 5, 2010 the Respondent emailed Staff and asked Staff to confirm that it had received the Respondent's fax. Staff has no record of receiving the fax referred to in the Respondent's April 5, 2010 email. On April 7, 2010, Staff emailed the Respondent and advised her that Staff had not received her fax, and requested that she re-send it or that she send the response by registered mail.

51. On April 13, 2010, Staff emailed the Respondent and advised Staff had still not received the documents, and stated: "*If you are faxing [the documents] please do so by 5:00 pm today. If you have sent [the documents] by registered mail please provide the Canada Post tracking number.*"

52. On April 13, 2010, the Respondent emailed Staff: "*The info was sent by our office mail, I will get the # for you. Our system is up and running just fine now. For good measure I will fax it tomorrow morning as well.*"

53. On April 15, 2010. Staff emailed the Respondent and advised her that the information she claimed to have sent Staff did not arrive, and that Staff did not receive from her the Canada Post

Tracking number it had requested she provide. Staff also advised the Respondent that if Staff did not receive the documents by noon that day that Staff would proceed on the basis that the Respondent was failing to cooperate with Staff's investigation.

54. The Respondent faxed additional documents to Staff on April 16, 2010, which did not answer the outstanding Undertakings. On April 29, 2010, Staff emailed the Respondent and sent a letter by Registered mail which listed the outstanding Undertakings and advised that the Respondent had failed to provide answers to the Undertakings.

55. The Respondent emailed Staff on May 7, 2010 stating "I should have everything *together today. Ive (sic) been waiting on the bank. They sent the wrong information.*"

56. On May 31, 2010, Staff emailed the Respondent and requested the documents pursuant to the Undertakings. The Respondent emailed Staff on June 2, 2010 stating "*I did send the remaining items by email and requested the bank fax you directly. Please confirm what is outstanding?*"

57. On June 8, 2010, Staff emailed the Respondent and advised that Staff had not received any documents the Respondent claimed she had sent to Staff or any documents the Respondent claimed she requested her bank to fax Staff directly.

58. On June 28, 2010, the Respondent emailed Staff and advised that that she had spoken with her bank and that they had advised her that she would receive the items within that week (June 28 to July 2, 2010).

59. As of the date the Notice of Hearing was issued in this matter on July 28, 2011, Staff had not received any response from the Respondent subsequent to her email of June 28, 2010.

60. As a result of the Respondent's failure to provide the requested documents and information requested by Staff, Staff has been unable to determine the full nature and extent of the Respondent's activities as described in Allegation #1 above, including in particular whether any other clients may have loaned monies to the Respondent. invested in Dollars & Sense, or

had their monies used by the Respondent to repay client RW.

61. Since the time this proceeding was commenced on July 28, 2011, the Respondent has provided some documents to staff that have answered some of the Staff's requests. To date, the following requests remain unanswered:

(a) provide Staff with copies of all deposits into the the Respondent's bank account over \$5,000.00 and copies of all cheques deposited between January 1, 2006 and September 30, 2009;

(b) provide copies of the cheques for business expenses paid from the \$4,000.00 deposited into the Respondent's bank account on October 29, 2008;

(c) provide copies of the summaries from the Respondent's fax machine for all faxes sent during the time period November 2009 to December 2009; and

(d) provide the Canada Post Tracking number for the mail the Respondent claims she sent to Staff in her April 14, 2010 email to Staff.

Mitigating Factors

62. The Respondent has not been the subject of previous MFDA disciplinary proceedings.

V. RESPONDENT'S REPRESENTATIONS

63. The Respondent represents that she can no longer locate the summaries from her fax machine showing all faxes sent during the period of November 2009 and December 2009, which are documents she undertook to provide to Staff during her interview on January 22, 2010. In particular, the Respondent represents that she can no longer locate proof that she faxed information to Staff on or about December 3 and 7, 2009 as she previously advised Staff that she did on December 7 and 8, 2009. There is no evidence to show that the Respondent sent these faxes other than the Respondent's representations that she did so.

64. The Respondent represents that she can no longer locate the Canada Post tracking number that pertains to the information the Respondent advised she sent Staff by mail on or about April 13, 2010. The Respondent represents that she has made inquiries of Canada Post to obtain the tracking number, and she has been advised that it will take four to six weeks to obtain the document requested. There is no evidence to show that the Respondent sent the information by mail to Staff on or about April 13, 2010 other than the Respondent's representations that she did so.

65. The Respondent regrets the contraventions of MFDA Rules that are described in this Settlement Agreement.

VI. CONTRAVENTIONS

66. The Respondent admits that:

(a) between October 2007 and June 2009, she engaged in personal financial dealings with client RZ by soliciting and accepting monies from client RZ on at least seven occasions in the total amount of approximately \$97,966.22 to be invested on behalf of client RZ in a company owned and controlled by the Respondent, thereby giving rise to an actual or potential conflict of interest between the Respondent and client RZ which the Respondent failed to address by the exercise of responsible business judgment influenced only by the best interests of client RZ, contrary to MFDA Rules 2.1.4 and 2.1.1; and

(b) commencing on January 22, 2010, she has failed or refused to provide documents and information requested by MFDA Staff in the course of an investigation, which information she undertook and agreed to provide during the course of an interview with MFDA Staff, contrary to s. 22.1 of MFDA By-law No. 1.

VII. TERMS OF SETTLEMENT

67. The Respondent agrees to the following terms of settlement:

(a) the Respondent shall pay a fine in the amount of \$15,000, pursuant to section 24.1.1(b) of MFDA By-law No. 1;

- (b) the Respondent shall pay costs in the amount of \$5,000, attributable to the investigation and settlement of this matter, pursuant to section 24.2 of MFDA By-law No. 1;
- (c) the Respondent shall be prohibited from conducting securities related business while in the employ of, or associated with a Member of the MFDA for a period of nine months from the date of the Order, pursuant to s. 24.1.1(e) of MFDA By-law No. 1;
- (d) the Respondent shall provide Staff with proof, satisfactory to Staff, that the Respondent has made requests of the appropriate third parties to provide the following information to the Respondent within 10 days of the Order:
- i. copies of all deposits into the the Respondent's bank account over \$5,000.00 and copies of all cheques deposited between January 1, 2006 and September 30, 2009;
 - ii. copies of the cheques for business expenses paid from the \$4,000.00 deposited into the Respondent's bank account on October 29, 2008;
 - iii. the Canada Post Tracking number for the mail the Respondent claims she sent to Staff in her April 14, 2010 email to Staff;
- (e) the Respondent shall provide the following documents to Staff no later than 60-days from the date of this Order:
- I. copies of all deposits into the the Respondent's bank account over \$5,000.00 and copies of all cheques deposited between January 1, 2006 and September 30, 2009;
 - II. copies of the cheques for business expense paid from the \$4,000.00 deposited into the Respondent's bank account on October 29, 2008; and

- III. copies of the Respondent's line of credit statements showing the source of the funds used to purchase the \$97,966.22 bank draft, copies of the Respondent's bank statements showing the deposit of the funds from her line of credit that were used to pay the \$97,966.22 bank draft, and the withdrawal of the monies to pay the bank draft.
- (f) if the Respondent fails to fully comply with subparagraph (e) above:
- i. the Respondent shall pay an additional fine of \$35,000; and
 - ii. the Respondent shall immediately be permanently prohibited from conducting securities related business while in the employ of or associated with a Member of the MFDA.
- (g) if there is any issue as to whether the Respondent has fulfilled the provisions of subparagraph (e) above, then either party may, upon reasonable notice, bring the matter back before a Hearing Panel for further directions and orders;
- (h) the Respondent shall in the future comply with all MFDA By-laws, Rules and Policies, and all applicable securities legislation and regulations made thereunder, including MFDA Rules 2.1.4, 2.1.1 and s.22.1 of MFDA By-law No. 1; and
- (i) the Respondent will attend in person, on the date set for the Settlement Hearing.

VIII. STAFF COMMITMENT

68. If this Settlement Agreement is accepted by the Hearing Panel, Staff will not initiate any proceeding under the By-laws of the MFDA against the Respondent in respect of the facts and contraventions described in Part IV and Part VI of this Settlement Agreement, subject to the provisions of Part X below. Nothing in this Settlement Agreement precludes Staff from investigating or initiating proceedings in respect of:

- (a) any facts and contraventions that are not set out in Part IV and Part VI of this Settlement Agreement or in respect of conduct that occurred outside the specified date ranges of the contraventions set out in Part VI, whether known or unknown

at the time of settlement; and

- (b) any facts and contraventions that Staff becomes aware of after the Respondent satisfies her obligation to produce the documents and information referred to in paragraph 67(e) of this Settlement Agreement, including any further documents or information subsequently requested by Staff pursuant to any Investigatory Powers available to it under section 22 of MFDA By-law No. 1 following receipt of any of the documents and information referred to paragraph 67(e).

69. Furthermore, nothing in this Settlement Agreement shall relieve the Respondent from fulfilling any continuing regulatory obligations.

IX. PROCEDURE FOR APPROVAL OF SETTLEMENT

70. Acceptance of this Settlement Agreement shall be sought at a hearing of the Central Regional Council of the MFDA on November 21-23, or a date to be ordered by the Hearing Panel.

71. Staff and the Respondent may refer to any part, or all, of the Settlement Agreement at the settlement hearing. Staff and the Respondent also agree that if this Settlement Agreement is accepted by the Hearing Panel, it will constitute the entirety of the evidence to be submitted respecting the Respondent in this matter, and the Respondent agrees to waive its her rights to a full hearing, a review hearing before the Board of Directors of the MFDA or any securities commission with jurisdiction in the matter under its enabling legislation, or a judicial review or appeal of the matter before any court of competent jurisdiction.

72. Staff and the Respondent agree that if this Settlement Agreement is accepted by the Hearing Panel, then the Respondent shall be deemed to have been penalized by the Hearing Panel pursuant to s. 24.1.2 of By-law No. 1 for the purpose of giving notice to the public thereof in accordance with s. 24.5 of By-law No. 1.

73. Staff and the Respondent agree that if this Settlement Agreement is accepted by the Hearing Panel, neither Staff nor the Respondent will make any public statement inconsistent with

this Settlement Agreement. Nothing in this section is intended to restrict the Respondent from making full answer and defence to any civil or other proceedings against it her.

X. FAILURE TO HONOUR SETTLEMENT AGREEMENT

74. If this Settlement Agreement is accepted by the Hearing Panel and, at any subsequent time, the Respondent fails to honour any of the Terms of Settlement set out herein, Staff reserves the right to bring proceedings under section 24.3 of the By-laws of the MFDA against the Respondent based on, but not limited to, the facts set out in Part IV of the Settlement Agreement, as well as the breach of the Settlement Agreement. If such additional enforcement action is taken, the Respondent agrees that the proceeding(s) may be heard and determined by a hearing panel comprised of all or some of the same members of the hearing panel that accepted the Settlement Agreement, if available.

XI. NON-ACCEPTANCE OF SETTLEMENT AGREEMENT

75. If, for any reason whatsoever, this Settlement Agreement is not accepted by the Hearing Panel or an Order in the form attached as Schedule “A” is not made by the Hearing Panel, each of Staff and the Respondent will be entitled to any available proceedings, remedies and challenges, including proceeding to a disciplinary hearing pursuant to sections 20 and 24 of By-law No. 1, unaffected by this Settlement Agreement or the settlement negotiations.

76. Whether or not this Settlement Agreement is accepted by the Hearing Panel, the Respondent agrees that it she will not, in any proceeding, refer to or rely upon this Settlement Agreement or the negotiation or process of approval of this Settlement Agreement as the basis for any allegation against the MFDA of lack of jurisdiction, bias, appearance of bias, unfairness, or any other remedy or challenge that may otherwise be available.

XII. DISCLOSURE OF AGREEMENT

77. The terms of this Settlement Agreement will be treated as confidential by the parties hereto until accepted by the Hearing Panel, and forever if, for any reason whatsoever, this Settlement Agreement is not accepted by the Hearing Panel, except with the written consent of both the Respondent and Staff or as may be required by law.

78. Any obligations of confidentiality shall terminate upon acceptance of this Settlement Agreement by the Hearing Panel.

XIII. EXECUTION OF SETTLEMENT AGREEMENT

79. This Settlement Agreement may be signed in one or more counterparts which together shall constitute a binding agreement.

80. A facsimile copy of any signature shall be effective as an original signature.

Dated: November 20, 2011

“Jennifer Lynn Killins”

Jennifer Lynn Killins

“Shannon St. Pierre”

Witness - Signature

Shannon St. Pierre

Witness - Print name

“Shaun Devlin”

Staff of the MFDA

Per: Shaun Devlin

Vice-President, Enforcement



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

**IN THE MATTER OF A SETTLEMENT HEARING
PURSUANT TO SECTION 24.4 OF BY-LAW NO. 1 OF
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

Re: Jennifer Lynn Killins

ORDER

WHEREAS on July 28, 2011, the Mutual Fund Dealers Association of Canada (the "MFDA") issued a Notice of Hearing pursuant to sections 20 and 24 of By-law No. 1 in respect of Jennifer Lynn Killins (the "Respondent");

AND WHEREAS the Respondent entered into a settlement agreement with Staff of the MFDA, dated [date] (the "Settlement Agreement"), in which the Respondent agreed to a proposed settlement of matters for which the Respondent could be disciplined pursuant to ss. 20 and 24.1 of By-law No. 1;

AND WHEREAS the Hearing Panel is of the opinion that the Respondent:

- (a) between October 2007 and June 2009, engaged in personal financial dealings with client RZ by soliciting and accepting monies from client RZ on at least seven occasions in the total amount of approximately \$97,966.22 to be invested on behalf of client RZ in a company owned and controlled by the Respondent, thereby giving rise to an actual or potential conflict of interest between the Respondent and client RZ which the Respondent failed to address by the exercise

of responsible business judgment influenced only by the best interests of client RZ, contrary to MFDA Rules 2.1.4 and 2.1.1; and

(b) commencing on January 22, 2010, failed or refused to provide documents and information requested by MFDA Staff in the course of an investigation, which information she undertook and agreed to provide during the course of an interview with MFDA Staff, contrary to s. 22.1 of MFDA By-law No. 1.

IT IS HEREBY ORDERED THAT the Settlement Agreement is accepted, as a consequence of which:

1. The Respondent shall pay a fine in the amount of \$15,000, pursuant to section 24.1.1(b) of MFDA By-law No. 1;
2. The Respondent shall pay costs in the amount of \$5,000, attributable to the investigation and settlement of this matter, pursuant to section 24.2 of MFDA By-law No. 1;
3. The Respondent shall be prohibited from conducting securities related business while in the employ of, or associated with a Member of the MFDA for a period of nine months from the date of the Order, pursuant to s. 24.1.1(e) of MFDA By-law No. 1;
4. The Respondent shall provide the following documents to Staff no later than 60-days from the date of this Order:
 - a. copies of all deposits into the the Respondent's bank account over \$5,000.00 and copies of all cheques deposited between January 1, 2006 and September 30, 2009;
 - b. copies of the cheques for business expense paid from the \$4,000.00 deposited into the Respondent's bank account on October 29, 2008; and
 - c. copies of the Respondent's line of credit statements showing the source of the funds used to purchase the \$97,966.22 bank draft, copies of the Respondent's

bank statements showing the deposit of the funds from her line of credit that were used to pay the \$97,966.22 bank draft, and the withdrawal of the monies to pay the bank draft.

- 5. If the Respondent fails to fully comply with paragraph 4 above:
 - a. the Respondent shall pay an additional fine of \$35,000; and
 - b. the Respondent shall immediately be permanently prohibited from conducting securities related business while in the employ of or associated with a Member of the MFDA.

6. If there is any issue as to whether the Respondent has fulfilled the provisions of paragraph 4 above, then either party may, upon reasonable notice, bring the matter back before a Hearing Panel for further directions and orders.

7. If at any time a non-party to this proceeding requests production of, or access to, any materials filed in, or the record of, this proceeding, including all exhibits and transcripts, then the MFDA Corporate Secretary shall not provide copies of, or access to, the requested documents to the non-party without first redacting from them any and all intimate financial or personal information, pursuant to Rules 1.8(2) and (5) of the MFDA *Rules of Procedure*.

DATED this [day] day of [month], 20[].

Per: _____
[Name of Public Representative], Chair

Per: _____
[Name of Industry Representative]

Per: _____
[Name of Industry Representative]