



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: Ian David Peer

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. By Notice of Settlement Hearing, the Mutual Fund Dealers Association of Canada (the “MFDA”) will announce that it proposes to hold a hearing to consider whether, pursuant to section 24.4 of By-law No. 1, a hearing panel of the Central Regional Council (the “Hearing Panel”) of the MFDA should accept the settlement agreement (the “Settlement Agreement”) entered into between Staff of the MFDA (“Staff”) and the Respondent, Ian David Peer (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 IX) 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

6. The Respondent has been registered in Ontario as a mutual fund salesperson with Investors Group Financial Services Inc. (“Investors Group”) since January 2002. The Respondent has been a mutual fund salesperson since January 1996.

7. On June 12, 2011, the Respondent met with clients KM and PM for the purposes of opening a joint non-registered account and a registered account for KM.

8. On June 14, 2011, the Client Service Administrator (“CSA”) for Investors Group advised the Respondent that the clients’ applications could not be processed for the following reasons:

- a. The checkbox labeled “retirement savings” had been checked in error in the “non-registered” section under Investment Information in the Account Opening Form for KM; and

- b. The investment time horizon did not match the low risk tolerance in the joint Investors Group MRS Account Opening Form for KM and PM.
9. The CSA advised the Respondent that the applications would need to be corrected and the corrections would require the initials of clients KM and PM.
10. The Respondent made the following changes to the new application forms:
 - a. Crossed out the checkbox labeled “retirement savings” in an Account Opening Form for KM and wrote initials which purported to be KM’s initials approving the change; and
 - b. Crossed out the checkbox for “low” risk and checked off “medium” risk in the joint Investors Group MRS Account Opening Form for KM and PM and wrote initials which purported to be KM’s and PM’s initials approving the change.
11. Several minutes later, the Respondent returned the account application forms to the CSA.
12. The CSA was concerned with how quickly the Respondent was able to obtain the clients’ initials approving the changes and reported the matter to the Regional Coordinator for Investors Group. Shortly thereafter, Investors Group commenced an investigation into the matter.
13. The Respondent admitted to Investors Group that he had made the changes to the account application forms and had falsified the initials of clients KM and PM. The Respondent advised that he had done so as a matter of convenience to the clients and that he had contacted KM and PM via telephone to tell them that he had initialed the documents on their behalf. The falsified initials gave effect to the clients’ intentions with respect to the accounts.
14. On June 20, 2011, the Respondent met with clients KM and PM to show the clients the modified account application forms and the changes that he had made to them, including the initials that he had made which purported to be the initials for KM and PM.

V. CONTRAVENTIONS

15. In June 2011, the Respondent falsified the initials of clients KM and PM on client account documents, contrary to MFDA Rule 2.1.1.

VI. TERMS OF SETTLEMENT

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

- a. The Respondent shall pay a fine in the amount of \$2,500, pursuant to s. 24.1.1(b) of the MFDA By-Law No. 1;
- b. The Respondent shall pay costs in the amount of \$2,500, pursuant to s. 24.2 of the MFDA By-Law No. 1;
- c. The Respondent shall in the future comply with MFDA Rule 2.1.1; and
- d. The Respondent will attend in person, on the date set for the Settlement Hearing.

VII. STAFF COMMITMENT

17. 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 set out in Part IV and the contraventions described in Part V of this Settlement Agreement, subject to the provisions of Part IX below. Nothing in this Settlement Agreement precludes Staff from investigating or initiating proceedings in respect of any facts and contraventions that are not set out in Parts IV and V of this Settlement Agreement or in respect of conduct that occurred outside the specified date ranges of the facts and contraventions set out in Parts IV and V, whether known or unknown at the time of settlement. Furthermore, nothing in this Settlement Agreement shall relieve the Respondent from fulfilling any continuing regulatory obligations.

VIII. PROCEDURE FOR APPROVAL OF SETTLEMENT

18. Acceptance of this Settlement Agreement shall be sought at a hearing of the Central Regional Council of the MFDA on a date agreed to by counsel for Staff and the Respondent.

19. 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 his 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.

20. 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.

21. 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 him.

IX. FAILURE TO HONOUR SETTLEMENT AGREEMENT

22. 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.

23. If the Respondent does not comply with any paragraph of the attached Order, Staff and the Respondent shall have the right to appear before the Hearing Panel, for additional guidance on fulfilling the terms of the Order. Notwithstanding paragraph 20 of the Settlement Agreement the Hearing Panel may provide such further guidance and directions or impose such further and

other terms, conditions, or penalties as allowed under section 24.1.2 of MFDA By-law No. 1, as the Hearing Panel considers appropriate in the circumstances.

X. NON-ACCEPTANCE OF SETTLEMENT AGREEMENT

24. 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.

25. Whether or not this Settlement Agreement is accepted by the Hearing Panel, the Respondent agrees that he 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.

XI. DISCLOSURE OF AGREEMENT

26. 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.

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

XII. EXECUTION OF SETTLEMENT AGREEMENT

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

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

DATED this 4th day of October, 2012.

“Jessica Acey”

Witness – Signature

Jessica Acey

Witness - Print name

“Ian David Peer”

Ian David Peer

“Shaun Devlin”

Staff of the MFDA

Per: Shaun Devlin

Vice-President, Enforcement

Schedule “A”

Order

File No. 201212



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**IN THE MATTER OF A SETTLEMENT HEARING
PURSUANT TO SECTION 24.4 OF BY-LAW NO. 1 OF
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Re: Ian David Peer

ORDER

WHEREAS on [date], the Mutual Fund Dealers Association of Canada (the “MFDA”) issued a Notice of Settlement Hearing pursuant to section 24.4 of By-law No. 1 in respect of Ian David Peer (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 in June 2011, the Respondent falsified the initials of clients KM and PM on client account documents, contrary to MFDA Rule 2.1.1;

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

- a. The Respondent shall pay a fine in the amount of \$2,500, pursuant to s. 24.1.1(b) of the MFDA By-Law No. 1;
- b. The Respondent shall pay costs in the amount of \$2,500, pursuant to s. 24.2 of the MFDA By-Law No. 1;
- c. The Respondent shall in the future comply with MFDA Rule 2.1.1;
- d. The Respondent will attend in person, on the date set for the Settlement Hearing; and
- e. 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]