



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: Bobby Donkar Narine Gocool

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. Staff of the Mutual Fund Dealers Association of Canada (“Staff”) and the Respondent, Bobby Donkar Narine Gocool, consent and agree to settlement of this matter by way of this agreement (the “Settlement Agreement”).

2. Staff conducted an investigation of the Respondent’s activities which disclosed 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.

II. JOINT SETTLEMENT RECOMMENDATION

3. Staff and the Respondent jointly recommend that the Hearing Panel accept the Settlement Agreement.

4. The Respondent admits to the following violations of the By-laws, Rules or Policies of the MFDA:

- a) between January 2013 and August 2014, the Respondent obtained, possessed, and in some instances, used to process transactions, 52 pre-signed account forms in respect of 10 clients, contrary to MFDA Rule 2.1.1;
- b) between January 2013 and August 2014, the Respondent altered and used 5 client account forms in respect of 5 clients by using liquid correction fluid to change information on the account forms to reflect client instructions, without having the clients initial the changes, contrary to MFDA Rule 2.1.1; and
- c) between January 2013 and August 2014, the Respondent, acting in the capacity of branch manager, reviewed and approved the use of 54 account forms, contrary to MFDA Rules 2.5.5(f)¹ and 2.1.1.

5. Staff and the Respondent agree and consent to the following terms of settlement:

- a) the Respondent shall pay a fine in the amount of \$15,000 pursuant to s. 24.1.1(b) if MFDA By-law No. 1;
- b) the Respondent shall pay costs in the amount of \$2,500 pursuant to s. 24.2 of MFDA By-law No. 1;
- c) the Respondent shall in the future comply with MFDA Rules 2.1.1 and 2.5.5; and
- d) the Respondent will attend in person, on the date set for the Settlement Hearing.

6. Staff and the Respondent agree to the settlement on the basis of the facts set out in Part III herein and consent to the making of an Order in the form attached as Schedule "A".

¹ Prior to September 2013, the Respondent's misconduct violated MFDA Rule 2.5.5(d).

III. AGREED FACTS

Registration History

7. Since November 1991, the Respondent has been registered with PFSL Investments Canada Ltd. (“PFSL”), a Member of the MFDA. Since November 2003, the Respondent has been registered as a branch manager.

8. At all material times, PFSL designated the Respondent as branch manager in his branch.

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

Pre-Signed Account Forms

10. 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.

11. Between January 2013 and August 2014, the Respondent obtained, possessed, and in some instances, used to process transactions, 52 pre-signed account forms in respect of 10 clients (the “Pre-Signed Account Forms”).

12. The Pre-Signed Account Forms included redemption, exchange request and Know-Your-Client forms.

13. The Respondent submitted 49 of the Pre-Signed Account Forms to PFSL to process transactions in client accounts.

Altered Account Forms

14. Between January 2013 and August 2014, the Respondent altered and used to process transactions 5 client account forms in respect of 5 clients (the “Altered Forms”).

15. The Respondent altered the forms by using liquid correction fluid to change information on the Altered Forms to reflect client instructions, without obtaining the clients' initials authorizing the change.

Approval of Pre-Signed and Altered Forms

16. Between January 2013 and August 2014, the Respondent, acting in the capacity of branch manager, reviewed and approved the use of 54 of the Pre-Signed Account Forms and Altered Forms described above in paragraphs 10-15.

PFSL's Investigation

17. Beginning in September 2014, PFSL's compliance staff detected the conduct that is the subject of this Settlement Agreement as a result of a branch audit and subsequent follow-up review.

18. As part of its investigation, PFSL sent letters to all of the affected clients and a portion of the non-affected clients serviced by the Respondent in order to determine whether the Respondent had engaged in any unauthorized trading. No clients reported any concerns.

19. On October 7, 2015, PFSL completed a follow-up audit of the Respondent's files and did not identify any further issues.

Additional Factors

20. There is no evidence that the Respondent received any financial benefit from engaging in the misconduct described above beyond any commissions and fees that he would ordinarily be entitled to receive had the transactions been carried out in the proper manner.

21. There is no evidence of any client harm or that the transactions were unauthorized.

22. The Respondent has not previously been the subject of MFDA disciplinary proceedings.

23. By entering into this Settlement Agreement, the Respondent has saved the MFDA the time, resources, and expenses associated with conducting a full hearing of the allegations.

IV. ADDITIONAL TERMS OF SETTLEMENT

24. This settlement is agreed upon in accordance with section 24.4 of MFDA By-law No. 1 and Rules 14 and 15 of the MFDA Rules of Procedure.

25. The Settlement Agreement is subject to acceptance by the Hearing Panel which shall be sought at a hearing (the “Settlement Hearing”). At, or following the conclusion of, the Settlement Hearing, the Hearing Panel may either accept or reject the Settlement Agreement.

26. The Settlement Agreement shall become effective and binding upon the Respondent and Staff as of the date of its acceptance by the Hearing Panel. Unless otherwise stated, any monetary penalties and costs imposed upon the Respondent are payable immediately, and any suspensions, revocations, prohibitions, conditions or other terms of the Settlement Agreement shall commence, upon the effective date of the Settlement Agreement.

27. Staff and the Respondent agree that if this Settlement Agreement is accepted by the Hearing Panel:

- a) the Settlement Agreement will constitute the entirety of the evidence to be submitted respecting the Respondent in this matter;
- b) the Respondent waives any 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;

- c) Staff will not initiate any proceeding under the By-laws of the MFDA against the Respondent in respect of the facts and the contraventions described in this Settlement Agreement. 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 this Settlement Agreement. Furthermore, nothing in this Settlement Agreement shall relieve the Respondent from fulfilling any continuing regulatory obligations;
- d) 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; and
- e) 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 the Respondent.

28. If, for any reason, this Settlement Agreement is not accepted 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 the Settlement Agreement or the settlement negotiations.

29. Staff and the Respondent agree that the terms of the 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.

30. The Settlement Agreement may be signed in one or more counterparts which together shall constitute a binding agreement. A facsimile copy of any signature shall be effective as an original signature.

DATED this 29th day of March, 2016.

“Bobby Narine Donkar Gocool”
Bobby Narine Donkar Gocool

“CG”
Witness – Signature

CG
Witness – Print Name

“Shaun Devlin”
Staff of the MFDA
Per: Shaun Devlin
Senior Vice-President,
Member Regulation – Enforcement



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Re: Bobby Donkar Narine Gocool

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 Bobby Donkar Narine Gocool (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 between January 2013 and August 2014:

- a) the Respondent obtained, possessed, in some instances, used to process transactions, 52 pre-signed account forms, contrary to MFDA Rule 2.1.1;

- b) altered and used 5 account forms by using liquid correction fluid to change information on the account forms to reflect client instructions, without having the clients initial the changes, contrary to MFDA Rule 2.1.1; and
- c) while acting in the capacity of Branch Manager, reviewed and approved the use of 54 account forms, contrary to MFDA Rules 2.5.5(f) (prior to September 2013, MFDA Rule 2.5.5(d); prior to December 2010, MFDA Rule 2.5.3(b)) and 2.1.1;

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 s.24.1.1(b) of MFDA By-law No. 1;
2. The Respondent shall pay costs in the amount of \$2,500 pursuant to s. 24.2 of MFDA By-law No. 1;
3. The Respondent shall in future comply with MFDA Rules 2.1.1 and 2.5.5; and
4. 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]

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