



## NEWS RELEASE

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## **MFDA Hearing Panel issues Decision and Reasons (Penalty) in the matter of Tim Long Chang**

**January 8, 2018** (Toronto, Ontario) – A Hearing Panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada (“MFDA”) has issued its Decision and Reasons (Penalty) dated January 5, 2018 in connection with a hearing held in Toronto, Ontario on August 15, 2017 in the matter of Tim Long Chang (“Respondent”).

At the hearing held on August 15, 2017, the Hearing Panel found that the four (4) allegations concerning the Respondent set out in the Notice of Hearing dated December 16, 2016 had been established. In particular, the Panel made the following findings of misconduct:

**Allegation #1:** Between about November 2012 and November 2014, he engaged in a dual occupation, which was not approved by the Member, contrary to MFDA Rules 1.2.1(c) (now Rule 1.3.2) and 2.1.1.

**Allegation #2:** In December 2012, he misled the Member when he falsely represented to the Member that he did not have an active role and did not engage in client related activities at his dual occupation, contrary to MFDA Rule 2.1.1.

**Allegation #3:** Between about February 2012 and November 2014, he failed to report to the Member within two (2) business days, or at all, the fact that he was named as a respondent in a regulatory disciplinary proceeding commenced against him, contrary to MFDA Policy No. 6, subsection 4.1(c) and MFDA Rule 1.2.2(b) (now Rule 1.4(b)).

**Allegation #4:** In May 2014, he offered to directly reimburse a client for a loss or fee that the client was to incur upon the transfer of the client’s investments to an account serviced by the Respondent, thereby engaging in personal financial dealings with the client which gave rise to a conflict or potential conflict of interest that the Respondent failed to address by the exercise of responsible business judgment influenced only by the best interests of the client, contrary to MFDA Rules 2.1.4 and 2.1.1.

In its Decision and Reasons, the Hearing Panel announced the imposition of the following sanctions on the Respondent:

- a prohibition of two (2) years on the Respondent's authority to conduct securities related business in any capacity while in the employ of or associated with any MFDA Member;
- a fine in the amount of \$20,000; and
- costs in the amount of \$5,000.

Copies of the [Decision and Reasons \(Penalty\)](#) and the [Notice of Hearing](#) are available on the MFDA website at [www.mfda.ca](http://www.mfda.ca). During the period described in the Decision and Reasons (Penalty), the Respondent conducted business in the Braeside, Ontario area.

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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