



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: Jason Dickout

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. Staff of the Mutual Fund Dealers Association of Canada (“Staff”) and the Respondent, Jason Dickout (the “Respondent”), 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 section 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 Mutual Fund Dealers Association of Canada (“MFDA”):

- a) between December 6, 2018 and December 10, 2018, the Respondent signed the signature of 2 clients on 3 account forms, and submitted the account forms to the Member for processing, contrary to MFDA Rule 2.1.1; and
 - b) between February 20, 2019 and February 26, 2019, the Respondent misled the Member during its investigation into his conduct when he falsely stated that clients signed account forms, when the Respondent had signed the client's signature on the account forms, contrary to MFDA Rule 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 \$2,500 in certified funds upon acceptance of the Settlement Agreement, pursuant to s. 24.1.1(b) of MFDA By-law No.1;
 - b) the Respondent shall pay costs in the amount of \$2,500 in certified funds upon acceptance of the Settlement Agreement by the Hearing Panel, pursuant to s. 24.2 of MFDA By-law No.1;
 - c) the Respondent shall be prohibited from conducting securities related business in any capacity while in the employ of or associated with a Member of the MFDA for a period of 6 months, commencing from the date the Settlement Agreement is accepted by the Hearing Panel, pursuant to s. 24.1.1(e) of MFDA By-Law No. 1;
 - d) the Respondent shall in the future comply with MFDA Rule 2.1.1; and
 - e) the Respondent will attend in person or by videoconference 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".

III. AGREED FACTS

Registration History

7. From November 15, 2016 to March 12, 2019, the Respondent was registered in Ontario as a Dealing Representative with TD Investment Services Inc. (the "Member"), a Member of the MFDA.

8. At all material times, the Respondent conducted business in the London, Ontario area.
9. On March 12, 2019, the Member terminated the Respondent, and he is not currently registered in the securities industry in any capacity.

Respondent signed client signatures

10. At all material times, the Member's policies and procedures prohibited its Approved Persons from signing client signatures and initials.
11. Between December 6, 2018 and December 10, 2018, the Respondent signed the signatures of 2 clients on 3 account forms, and submitted them to the Member for processing.
12. The account forms consisted of Transaction and Account Maintenance forms.
13. In one instance, the Member identified a missing signature on one of the Transaction and Account Maintenance forms after the Respondent originally submitted it to the Member for processing. As part of a supervisory inquiry, the Member required the Respondent to obtain a customer signature to complete the form. In response, the Respondent reprinted a copy of the form, completed the information and signed the client's signature on the account form.

Misleading the Member

14. On December 10, 2018, the Member conducted a Tier 2 branch review of the Respondent's files and identified one of the Transaction and Account Maintenance forms that is subject of this Settlement Agreement. As a result, the Member initiated a supervisory review of the Respondent's trading activity.
15. On January 31, 2019 and February 1, 2019, the Member examined 25 client files that were maintained by the Respondent between January and December 2018 and identified the 2 remaining account forms that are the subject of this Settlement Agreement.
16. On February 20, 2019, the Member interviewed the Respondent about the 3 account forms that are the subject of this Settlement Agreement. During this interview, the Respondent denied signing the signatures of the clients on the accounts forms, and falsely advised the Member that the clients had attended at the branch location and signed the account forms.

17. On February 26, 2019, the Member conducted a further interview of the Respondent, at which time, the Respondent admitted to signing the clients' signatures on the 3 account forms described above.

Member's Investigation

18. The Member sent a letter to or left messages for the clients whose account forms are the subject matter of this Settlement Agreement requesting that the client contact the branch for an appointment to discuss their accounts and to complete new documentation. The clients did not respond to the Member's letter.

19. On March 12, 2019, the Member terminated the Respondent's registration.

Additional Factors

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

21. There is no evidence of client loss, complaints, or lack of authorization for the underlying transactions.

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 on the allegations.

24. The Respondent states that he has limited financial means, and as a result, he is unable to pay a monetary penalty that is greater than the total of the fine and costs amounts set out in this Settlement Agreement. MFDA Staff have received evidence which corroborates the Respondent's statement.

IV. ADDITIONAL TERMS OF SETTLEMENT

25. 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.

26. 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. MFDA Settlement Hearings are typically held in the absence of the public pursuant to section 20.5 of MFDA By-law No. 1 and Rule 15.2(2) of the MFDA Rules of Procedure. If the Hearing Panel accepts the Settlement Agreement, then the proceeding will become open to the public and a copy of the decision of the Hearing Panel and the Settlement Agreement will be made available at www.mfda.ca.

27. 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.

28. 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 contraventions described in this Settlement Agreement. Nothing in this Settlement Agreement precludes Staff from investigating or initiating proceedings in respect of any 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 section 24.1.2 of By-law No. 1 for the purpose of giving notice to the public thereof in accordance with section 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.

29. 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.

30. 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.

31. 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 8th day of October, 2020.

“Jason Dickout”

 Jason Dickout

“MS”

 Witness – Signature

MS

 Witness – Print Name

“Charles Toth”

 Staff of the MFDA
 Per: Charles Toth
 Vice-President, Enforcement

Schedule “A”

**Order
File No.**



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**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: Jason Dickout

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 Jason Dickout (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 sections 20 and 24.1 of By-law No. 1;

AND WHEREAS the Hearing Panel is of the opinion that:

- a) between December 6 and December 10, 2018, the Respondent signed the signature of 2 clients on 3 account forms, and submitted the account forms to the Member for processing, contrary to MFDA Rule 2.1.1; and
- b) between February 20, 2019 and February 26, 2019, the Respondent misled the Member during its investigation into his conduct when he falsely stated that clients signed account forms, when the Respondent had signed the client’s signature on the account forms, contrary to MFDA Rule 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 \$2,500 in certified funds upon acceptance of the Settlement Agreement, pursuant to section 24.1.1(b) of MFDA By-law No.1;
2. the Respondent shall pay costs in the amount of \$2,500 in certified funds upon acceptance of the Settlement Agreement by the Hearing Panel, pursuant to section 24.2 of MFDA By-law No.1;
3. the Respondent shall be prohibited from conducting securities related business in any capacity while in the employ of or associated with a Member of the MFDA for a period of 6 months, commencing from the date the Settlement Agreement is accepted by the Hearing Panel, pursuant to section 24.1.1(e) of MFDA By-Law No. 1;
4. the Respondent shall in the future comply with MFDA Rule 2.1.1; and
5. if at any time a non-party to this proceeding, with the exception of the bodies set out in section 23 of MFDA By-law No. 1, requests production of or access to exhibits in this proceeding that contain personal information as defined by the MFDA Privacy Policy, then the MFDA Corporate Secretary shall not provide copies of or access to the requested exhibits to the non-party without first redacting from them any and all 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]