



NEWS RELEASE

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MFDA issues Notice of Settlement Hearing in respect of Christine S. P. T. Scott

December 14, 2016 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada (“MFDA”) announced that it has issued a Notice of Settlement Hearing regarding the presentation, review and consideration of a proposed settlement agreement by a Hearing Panel of the MFDA’s Central Regional Council.

The settlement agreement will be between Staff of the MFDA and Christine S. P. T. Scott (the “Respondent”) and involves matters for which the Respondent may be disciplined by a Hearing Panel pursuant to MFDA By-laws. The proposed settlement agreement concerns the allegations that the Respondent:

- i) in August 2014, processed a redemption in the amount of \$8,545 in client AP’s account based upon email instructions received from a third party fraudster, who had gained unlawful access to client AP’s email account and subsequently misappropriated the proceeds of the redemption, thereby failing to comply with the Member’s policies and procedures which required the Respondent to verify the identity of the client and prohibited her from accepting trade instructions by email, contrary to MFDA Rules 1.1.2, 2.5.1 and 2.1.1;
- ii) on August 20, 2014, requested, obtained, and used a pre-signed account form in order to change a client’s banking information with the Member, thereby failing to comply with the Member’s policies and procedures, contrary to MFDA Rules 1.1.2 and 2.5.1, and failing to observe high standards of ethics and conduct in the transaction of business, contrary to MFDA Rule 2.1.1;
- iii) on August 20, 2014, processed a redemption in the account of client AP without making inquiries of client AP regarding which funds were to be redeemed and in what amounts, thereby failing to observe high standards of ethics and conduct in the transaction of business, contrary to Rule 2.1.1, and engaging in discretionary trading, contrary to MFDA Rule 2.3.1(a);
- iv) on August 25, 2014, completed portions of an account form wherein the Respondent falsely represented that she had verified the clients’ identities, thereby failing to comply

with the Member's policies and procedures, contrary to MFDA Rules 1.1.2 and 2.5.1, and failing to observe high standards of ethics and conduct in the transaction of business, contrary to MFDA Rule 2.1.1; and

- v) on September 12, 2014, disclosed confidential information about the investments held in client MB's account without client MB's authorization, thereby failing to comply with the Member's policies and procedures, contrary to MFDA Rules 1.1.2 and 2.5.1, and failing to observe high standards of ethics and conduct in the transaction of business, and failing to maintain in confidence all information relating to a client and the affairs of a client, contrary to MFDA Rule 2.1.1 and Rule 2.1.3.

The settlement hearing is scheduled to take place on March 13, 2017, commencing at 10:00 a.m. (Eastern), or as soon thereafter as the matter can be held, in the hearing room at the offices of the MFDA, located at 121 King Street West, Suite 1000, Toronto, Ontario.

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.

A copy of the [Notice of Settlement Hearing](#) is available on the MFDA website at www.mfda.ca. During the period described in the Notice of Settlement Hearing, the Respondent carried on business in the Ottawa 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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