Notice of Hearing

File no: 200602

IN THE MATTER OF A DISCIPLINARY HEARING
PURSUANT TO SECTIONS 20 AND 24 OF BY-LAW NO. 1
OF THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA

Re: Shawn Sandink

NOTICE OF HEARING

NOTICE is hereby given that a first appearance will take place by teleconference before a Hearing Panel (the "Hearing Panel") of the Regional Council of the Ontario Region of the Mutual Fund Dealers Association of Canada (the "MFDA"), in the hearing room located at 121 King Street West, Suite # 1000, Toronto Ontario on Friday, June 2, 2006, at 10:00 a.m. (EST) or as soon thereafter as the hearing can be held, concerning a disciplinary proceeding commenced by the MFDA against Shawn Sandink (the "Respondent").

DATED at Toronto, Ontario this 19th of April, 2006.

"Gregory J. Ljubic"
Gregory J. Ljubic
Corporate Secretary

Mutual Fund Dealers Association of Canada
121 King St. West
Suite 1000
Toronto, Ontario
M5H 3T9
Telephone: (416) 943-5836
Fax: (416) 361-9781
E-mail: gljubic@mfda.ca

NOTICE is further given that staff of the MFDA alleges the following violations of the By-laws, Rules or Policies of the MFDA:

Allegation #1: Between January 1999 and August 2003, the Respondent misappropriated $34,250 from one of his mutual fund clients, namely JY, thereby failing to deal fairly, honestly and in good faith with him and engaging in business conduct which was unbecoming and detrimental to the public interest, contrary to MFDA Rule 2.1.1.

PARTICULARS

NOTICE is further given that the following is a summary of the facts alleged and intended to be relied upon by the MFDA at the hearing:

Registration History

1. From December 1996 to December 2004, the Respondent was registered in Ontario as a mutual fund salesperson for PFSL Investments Canada Ltd. ("PFSL"). PFSL became a Member of the MFDA on January 31, 2002.

2. On December 31, 2004, the Respondent was terminated by PFSL. He is not currently registered in the securities industry in any capacity.

Allegation #1

3. In 1998, the Respondent opened an account for JY. Between 1998 and 2001, JY deposited $140,000 into the Trimark Interest Fund (the "Trimark Fund"). The Trimark Fund allows clients to have cheque writing redemption privileges. JY made regular withdrawals from the Trimark Fund by this means.

4. In the Trimark Fund account opening documents, the Respondent listed the client address as 202 Huron St., Woodstock ON, N4S 7A1. This is the address of the PFSL sub-branch office at which the Respondent worked.

5. In 1998 or 1999, the Respondent relocated from the sub-branch office at 202 Huron St. to the PFSL branch office located at 30 Metcalfe St., Woodstock On, N4S 3E7. On June 14, 1999 the Respondent's assistant changed the address on JY's Trimark Fund account to 30 Metcalfe St.

6. As set out in the table below, between January 1999 and August 2003, the Respondent, without JY's knowledge or consent, wrote ten cheques on the Trimark Fund, totaling $34,250, payable to the benefit of the Respondent or the Respondent and his wife, thereby misappropriating the funds.

Date	Amount	Cheque Payable To
January 27, 1999	$10,600	Shawn and Sharon Sandink
April 6, 1999	$3,000	Shawn Sandink
April 15, 1999	$5,000	Shawn Sandink
May 20, 1999	$5,000	Shawn Sandink
July 25, 1999	$500	Shawn Sandink
August 13, 2002	$2,500	Shawn Sandink
September 21, 2002	$1,500	Shawn Sandink
May 25, 2003	$2,000	Shawn Sandink
July 25, 2003	$2,150	Shawn Sandink
August 20, 2003	$2,000	Shawn Sandink
Total	**$34,250**	

7. In May 2005, PFSL commenced an investigation of the Respondent in response to a complaint made by JY. In November 2005, PFSL compensated JY for losses attributable to the Respondent's conduct. As noted in paragraph 2 above, the Respondent was terminated by PFSL in December 2004.

8. To date, the Respondent has failed to repay or otherwise account for any of the misappropriated funds.

9. By misappropriating $34,250 from JY, the Respondent failed to deal fairly, honestly and in good faith with him and engaged in business conduct which was unbecoming and detrimental to the public interest, contrary to MFDA Rule 2.1.1.

NOTICE is further given that the Respondent shall be entitled to appear and be heard and be represented by counsel or agent at the hearing and to make submissions, present evidence, and call, examine and cross-examine witnesses.

NOTICE is further given that MFDA By-laws provide that if, in the opinion of the Hearing Panel, the Respondent:

- has failed to carry out any agreement with the MFDA;
- has failed to comply with or carry out the provisions of any federal or provincial statute relating to the business of the Member or of any regulation or policy made pursuant thereto;
- has failed to comply with the provisions of any By-law, Rule or Policy of the MFDA;
- has engaged in any business conduct or practice which such Regional Council in its discretion considers unbecoming or not in the public interest; or
- is otherwise not qualified whether by integrity, solvency, training or experience,

the Hearing Panel has the power to impose any one or more of the following penalties:

(a) a reprimand;

(b) a fine not exceeding the greater of:

(i) $5,000,000.00 per offence; and

(ii) an amount equal to three times the profit obtained or loss avoided by such person as a result of committing the violation;

(c) suspension of the authority of the person to conduct securities related business for such specified period and upon such terms as the Hearing Panel may determine;

(d) revocation of the authority of such person to conduct securities related business;

(e) prohibition of the authority of the person to conduct securities related business in any capacity for any period of time;

(f) such conditions of authority to conduct securities related business as may be considered appropriate by the Hearing Panel;

NOTICE is further given that the Hearing Panel may, in its discretion, require that the Respondent pay the whole or any portion of the costs of the proceedings before the Hearing Panel and any investigation relating thereto.

NOTICE is further given that the Respondent must **serve** a **Reply** on Enforcement Counsel and **file** a **Reply** with the Corporate Secretary within twenty (20) days from the date of service of this Notice of Hearing.

A **Reply** may be **served** upon Enforcement Counsel at:

Mutual Fund Dealers Association of Canada
121 King Street West
Suite 1000
Toronto, ON M5H 3T9
Attention: Rob DelFrate

A **Reply** shall be **filed** by:

(a) providing 4 copies of the **Reply** to the Corporate Secretary by personal delivery, mail or courier to:

The Mutual Fund Dealers Association
Suite 1000
Toronto, ON M5H 3T9
Attention: Office of the Corporate Secretary

or

(b) transmitting 1 copy of the **Reply** to the Corporate Secretary by fax to fax number (416) 361-9781, provided that the Reply does not exceed 16 pages, inclusive of the covering page, unless the Secretary permits otherwise;

A **Reply** may either:

(i) specifically deny (with a summary of the facts alleged and intended to be relied upon by the Respondent, and the conclusions drawn by the Respondent based on the alleged facts) any or all of the facts alleged or the conclusions drawn by the MFDA in the Notice of Hearing; or

(ii) admit the facts alleged and conclusions drawn by the MFDA in the Notice of Hearing and plead circumstances in mitigation of any penalty to be assessed.

NOTICE is further given that the Hearing Panel may accept as having been proven any facts alleged or conclusions drawn by the MFDA in the Notice of Hearing that are not specifically denied in the **Reply**.

NOTICE is further given that if the Respondent fails:

(a) to serve and file a **Reply;** or

(b) attend at the hearing specified in the Notice of Hearing, notwithstanding that a **Reply** may have been served,

the Hearing Panel may proceed with the hearing of the matter on the date and the time and place set out in the Notice of Hearing (or on any subsequent date, at any time and place), without any further notice to and in the absence of the Respondent, and the Hearing Panel may accept the facts alleged or the conclusions drawn by the MFDA in the Notice of Hearing as having been proven and may impose any of the penalties described in the By-Laws.