



Mutual Fund Dealers Association of Canada
Association canadienne des courtiers de fonds mutuels

**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: Gerard H. Brake and Mavis E. Brake

ORDER

WHEREAS on March 12, 2008, the Mutual Fund Dealers Association of Canada (the “MFDA”) issued a Notice of Hearing pursuant to sections 20 and 24 of MFDA By-law No. 1 in respect of a disciplinary proceeding commenced against Gerard H. Brake and Mavis E. Brake (the “Respondents”);

AND WHEREAS the hearing of this matter on its merits was held on October 27 and 28, 2008, before a hearing panel of the Prairie Regional Council of the MFDA (the “Hearing Panel”) concerning the allegations set out in the Notice of Hearing;

AND WHEREAS the Respondent Gerard Brake did not attend personally but was represented by the Respondent Mavis Brake acting as agent on his behalf;

AND WHEREAS the Respondent Mavis Brake attended on her own behalf;

AND WHEREAS on December 3, 2008, the Hearing Panel released its Decisions and Reasons in which it unanimously concluded that it was of the opinion that all of the allegations against the Respondents in the Notice of Hearing had been proven;

AND WHEREAS on February 19, 2009, the penalty phase of the hearing on the merits was conducted;

AND WHEREAS the Respondent Gerard Brake did not attend personally but was represented by the Respondent Mavis Brake acting as agent on his behalf;

AND WHEREAS the Respondent Mavis Brake attended on her own behalf;

IT IS HEREBY ORDERED THAT:

(a) The Respondents Gerard Brake and Mavis Brake are permanently prohibited from conducting securities related business in any capacity while in the employ of or associated with any MFDA Member, pursuant to s. 24.1.1(e) of MFDA By-law No. 1;

(b) The Respondents Gerard Brake and Mavis Brake shall together pay a fine in the amount of \$1,222,966 with respect to their failure to comply with MFDA Rules 1.2.1(d), 1.1.1(a), 2.1.4, and 2.1.1, pursuant to s. 24.1.1(b) of MFDA By-law No. 1, which fine may be paid jointly and severally;

(c) The Respondent Gerard Brake shall pay a fine in the amount of \$50,000 with respect to his failure to cooperate with an MFDA investigation contrary to s. section 22.1(b) of MFDA By-law No. 1, pursuant to s. 24.1.1(b) of MFDA By-law No. 1;

(d) The Respondent Mavis Brake shall pay a fine in the amount of \$50,000 with respect to her failure to cooperate with an MFDA investigation contrary to s. section 22.1(b) of MFDA By-law No. 1, pursuant to s. 24.1.1(b) of MFDA By-law No. 1;

(e) The Respondent Mavis Brake shall pay a fine in the amount of \$75,000 with respect to her failure as a designated branch manager to comply with MFDA

Rules 2.5.3(b) and 2.1.1, pursuant to s. 24.1.1(b) of MFDA By-law No. 1;

(f) The Respondent Gerard Brake shall pay costs in the amount of \$10,000 attributable to the investigation and prosecution of this proceeding, pursuant to s. 24.2 of MFDA By-law No. 1; and

(g) The Respondent Mavis Brake shall pay costs in the amount of \$10,000 attributable to the investigation and prosecution of this proceeding, pursuant to s. 24.2 of MFDA By-law No. 1.

DATED this 19th day of February, 2009.

Per: “Robert Hucal”
Robert Hucal, Chair

Per: “M.E. (Elaine) Bradley”
M. E. (Elaine) Bradley, Industry Representative

Per: “Erwin Granson”
Erwin Granson, Industry Representative