



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: Bick Financial Security Corporation

ORDER

WHEREAS on September 11, 2009, 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 Bick Financial Security Corporation (the “Respondent”);

AND WHEREAS the Respondent entered into a settlement agreement with Staff of the MFDA, dated September 11, 2009 (the “Settlement Agreement”), in which the Respondent agreed to a proposed settlement of matters for which the Respondent could be disciplined pursuant to ss. 20 and 24.1 of By-law No. 1;

AND WHEREAS the Hearing Panel is of the opinion that:

1. Prior to June 30, 2008, the Respondent failed to produce a comprehensive daily trade report recording all securities transactions that were required to be reviewed in accordance with MFDA Policy No. 2, thereby failing to fully conduct such review, contrary to MFDA Rule 5.1(a) and MFDA Policy No. 2;

2. Prior to February 1, 2008, the Respondent failed to implement policies and procedures relating to maintaining adequate records of trade supervision that was conducted, including records of trades reviewed and records of inquiries made, responses received and resolutions achieved, contrary to MFDA Rules 2.2.1, 2.5.1, 2.5.4 and MFDA Policy No. 2;
3. Prior to June 30, 2008, the Respondent failed to establish, implement and maintain adequate policies and procedures for the review and approval of advertisements, sales communications and client communications so as to prevent the distribution of materials that violated MFDA Rules to clients and members of the public, contrary to MFDA Rules 2.7.2, 2.8.2 and 2.8.3(a);
4. Prior to October 2007, the Respondent failed to maintain evidence demonstrating that it had approved all advertisements, sales communications and client communications (including website content) that were sent to its clients or made accessible to its clients or members of the public, contrary to MFDA Rules 2.7.3, 2.7.2, 2.8.2, and 2.5.4; and
5. Between October 1, 2005 and June 30, 2008, the Respondent failed to establish, implement and maintain adequate policies and procedures to assess and supervise the suitability of leveraging recommendations that its Approved Persons made to clients, contrary to MFDA Rules 2.2.1, 2.5.1, 2.5.4 and MFDA Policy No. 2.

IT IS HEREBY ORDERED THAT the Settlement Agreement is accepted, as a consequence of which the Respondent shall:

1. pay a fine in the amount of \$10,000.00 upon the acceptance of this Settlement Agreement;
2. retain an independent monitor at the Respondent's expense and in accordance with the terms set out in Schedule "B" to the Settlement Agreement, resolve:
 - (a) the compliance deficiencies described in Schedule "B" to the Settlement Agreement; and

- (b) any other compliance deficiencies that the independent monitor identifies during its review;
- pursuant to section 24.1.2(g) of MFDA By-law No. 1;
3. pay the costs of this proceeding in the amount of \$2,500 upon the acceptance of this Settlement Agreement.

DATED at Toronto, Ontario this 24th day of September, 2009.

Per: “Fred Kaufman”

The Hon. Fred Kaufman, Chair

Per: “Jeanne Beverly”

Jeanne Beverly, Industry Representative

Per: “Linda Anderson”

Linda Anderson, Industry Representative