



NEWS RELEASE

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For further information, please contact:

Shaun Devlin
Vice-President, Enforcement
(416) 943-4672 or sdevlin@mfd.ca

MFDA Hearing Panel Issues Decision and Reasons respecting Raymond Brown-John Disciplinary Hearing

August 23, 2005 (Toronto, Ontario) - A Hearing Panel of the Pacific Regional Council of the Mutual Fund Dealers Association of Canada ("MFDA") has issued its Decision and Reasons in connection with the disciplinary hearing held in Vancouver, British Columbia on June 7, 2005 in respect of Raymond Brown-John.

The Hearing Panel found that the four allegations set out by MFDA staff in the Notice of Hearing dated January 21, 2005, summarized below, had been established:

Allegation #1: Between December 1999 and February 2003, Brown-John failed to deal fairly, honestly and in good faith with two of his clients by misappropriating from them a total amount of \$83,000, more or less, contrary to MFDA Rule 2.1.1.

Allegation #2: Between May 2001 and February 2003, Brown-John preferred his own interests to those of one of his clients and failed to exercise responsible business judgment influenced only by the best interest of his client by recommending that the client redeem certain mutual fund investments in the total amount of \$67,000 and lend the proceeds to him in the form of an unsecured personal loan, which loan Brown-John subsequently failed to repay, contrary to MFDA Rule 2.1.4.

Allegation #3: Commencing on or about July 31, 2003, Brown-John failed to comply with requests from the MFDA to provide documents and information to the MFDA for the purpose of investigating a complaint made against Brown-John by a client, contrary to section 22.1 of MFDA By-law No. 1.

Allegation #4: Commencing on or about September 22, 2003, Brown-John failed to carry out an agreement with the MFDA made on August 20, 2003 to provide the MFDA with copies of certain financial account statements on or before September 22, 2003, thereby engaging the jurisdiction of the Regional Council to impose a penalty on him pursuant to section 24.1.1(g) of MFDA By-law No. 1.

The following is a summary of the Hearing Panel Orders:

1. A permanent prohibition on the authority of Raymond Brown-John to conduct securities related business in any form or capacity;
2. A fine in the aggregate amount of \$185,000; and
3. Costs in the amount of \$10,000

A copy of the Decision and Reasons and Order is available on the MFDA website at www.mfda.ca.

The Mutual Fund Dealers Association of Canada is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 179 members and their approximately 70,000 representatives with a mandate to protect investors and the public interest.

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