



## NEWS RELEASE

*For immediate release*

*For further information, please contact:*

Shaun Devlin

Vice-President, Enforcement

(416) 943-4672 or sdevlin@mfd.ca

### **MFDA Issues Notice of Hearing regarding Earl Crackower**

**April 8, 2005** (Toronto, Ontario) - The Mutual Fund Dealers Association of Canada ("MFDA") today announced that it has commenced disciplinary proceedings against Earl Crackower (the "Respondent").

MFDA alleges in its Notice of Hearing that Crackower engaged in the following conduct contrary to the By-laws, Rules or Policies of the MFDA.

Allegation #1: Between January 1994 and October 2003, the Respondent had, and continued in, another gainful occupation that was not approved by the Member, contrary to MFDA Rule 1.2.1(d).

Allegation #2: Between January 1994 and October 2003, the Respondent solicited and accepted monies from clients in the total amount of \$3.4 million, more or less, which he failed to return or otherwise account for, thereby failing to deal fairly, honestly and in good faith with his clients and engaging in business conduct which was unbecoming and detrimental to the public interest, contrary to MFDA Rule 2.1.1.

Allegation #3: On November 11, 2003, the Respondent misled the MFDA by stating in response to an inquiry from the MFDA that he had only borrowed or solicited monies from one client when he knew that to be an incorrect response, thereby:

- i. failing to comply with his obligations under s. 22.2 of MFDA By-law No. 1; and
- ii. failing to observe high standards of ethics and conduct in the transaction of business, contrary to MFDA Rule 2.1.1(b).

Allegation #4: On July 6, 2004, the Respondent failed to attend at the offices of the MFDA and give information for the purpose allowing the MFDA to investigate a complaint made against the Respondent, contrary to s. 22.1(c) of By-Law No. 1.

The first appearance in this matter will take place by teleconference before a Hearing Panel of the Regional Council of the Ontario Region of the MFDA in the Hearing Room located at 121 King Street West, Suite 1000, Toronto, Ontario on Wednesday, May 11, 2005 at 10:00 p.m. (EST) or as soon thereafter as can be held.

The purpose of the first appearance is to schedule the date for the commencement of the hearing on its merits and to schedule any other procedural matters.

The hearing is open to the public, except as may be required for the protection of confidential matters. Members of the public attending the hearing will be able to listen to the proceeding by teleconference.

A copy of the Notice of Hearing is available on the MFDA web site at [www.mfda.ca](http://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 181 members and their approximately 70,000 representatives with a mandate to protect investors and the public interest.