



NEWS RELEASE

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MFDA Ontario Hearing Panel Makes Findings Against Stephan Headley

December 14, 2005 (Toronto, Ontario) – A disciplinary hearing in the Matter of Stephan Headley was held today before a Hearing Panel of the Ontario Regional Council of the Mutual Fund Dealers Association of Canada (“MFDA”) in Toronto, Ontario. The Hearing Panel found that the two allegations set out by MFDA staff in the Notice of Hearing dated September 8, 2005, summarized below, had been established:

Allegation #1: Between April 2003 and February 2004, Mr. Headley misappropriated the total amount of approximately \$155,000 obtained from two of his clients and during that time period he failed to return or truthfully account for these monies, thereby, failing to deal fairly, honestly and in good faith with such clients, contrary to MFDA Rule 2.1.1.

Allegation #2: Commencing in or around November 2004, Mr. Headley failed to produce for inspection and provide copies of documents and information requested by the MFDA for the purpose of investigating a complaint made against him, contrary to s. 22.1 of MFDA By-law No. 1.

The following is a summary of the Hearing Panel Orders made at the conclusion of the hearing:

- A permanent prohibition on Mr. Headley from engaging in any securities-related business in any capacity; and
- Costs in the amount of \$7,500.

The Hearing Panel advised that it was reserving on the issue of penalty respecting Allegations # 1 and # 2 set out above and that its decision and written reasons would be issued in due course.

A copy of the Notice of Hearing is available on the MFDA web site 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 178 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

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