



NEWS RELEASE

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MFDA issues Notice of Hearing regarding Melvin Robert Penney

November 26, 2008 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada (“MFDA”) today announced that it has commenced disciplinary proceedings against Melvin Robert Penney (the “Respondent”).

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

Allegation #1: On or about February 27, 2007, the Respondent engaged in securities related business that was not carried on for the account of the Member or through the facilities of the Member by recommending and facilitating investment by two clients in a real estate investment product offered by Walton International Inc. (“Walton”), contrary to MFDA Rules 1.1.1(a) and 2.1.1.

Allegation #2: On or about February 27, 2007, the Respondent engaged in outside business activity that was not disclosed to or approved by the Member by recommending and facilitating the purchase by two clients of a real estate product offered by Walton, contrary to MFDA Rules 1.2.1(d)(iii) and 2.1.1.

Allegation #3: Commencing February 19, 2008, the Respondent failed to cooperate with an investigation by the MFDA into his conduct, contrary to s. 22.1 of MFDA By-law No. 1.

The first appearance in this matter will take place by teleconference before a Hearing Panel of the MFDA Atlantic Regional Council on Thursday, January 22, 2009 at 10:00 a.m. (Atlantic) or as soon thereafter as it 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 address any other procedural matters.

The first appearance is open to the public, except as may be required for the protection of confidential matters. Members of the public who want to listen to the teleconference for the first appearance should contact Yvette MacDougall, MFDA Hearings Coordinator, at 416-943-4606 or by email at ymacdougall@mfdca.ca on or before Tuesday, January 20, 2009 to obtain

particulars. The Hearing on the Merits will take place at a location in Moncton, New Brunswick at a time and place to be announced at a later date.

A copy of the Notice of Hearing is available on the MFDA website at www.mfda.ca.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 154 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

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