



**Mutual Fund Dealers Association of Canada**  
Association canadienne des courtiers de fonds mutuels

## NEWS RELEASE

*For immediate release*

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### **MFDA issues Notice of Settlement Hearing regarding Sterling Mutuals Inc.**

**July 24, 2008** (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada (“MFDA”) today announced that it has issued a Notice of Settlement Hearing regarding the presentation, review and consideration of a proposed settlement agreement by the Central Regional Council.

The settlement agreement will be between staff of the MFDA and Sterling Mutuals Inc. and involves matters for which Sterling Mutuals may be disciplined by the Regional Council, pursuant to MFDA By-laws.

The subject matter of the proposed settlement agreement concerns allegations that between January 2003 and February 2006, the Respondent failed to establish, implement and maintain policies and procedures to ensure that the handling of its business was in accordance with MFDA Rules 1.1.7, 2.5.4, 5.3.3 and MFDA Policy 2.

The Settlement Agreement also concerns allegations that, between January 2003 and February 2006, the Respondent (i) failed to establish, implement and maintain a two-tier compliance structure to supervise client account activity; and (ii) prevented its branch managers from discharging their supervisory responsibilities by failing to establish, implement and maintain a two-tier compliance structure.

The settlement hearing is scheduled to commence at 10:00 a.m. (Eastern) on Thursday, August 21, 2008 in the Hearing Room located at 121 King Street West, Suite 1000, Toronto, Ontario. The hearing is open to the public except as may be required for the protection of confidential matters. A copy of the Notice of Settlement Hearing is available on the MFDA website 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 158 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.