



**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 Professional Investment Services (Canada) Inc.**

**October 7, 2009** (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 a Hearing Panel of the MFDA’s Prairie Regional Council.

The settlement agreement will be between staff of the MFDA and Professional Investment Services (Canada) Inc. (the “Respondent”) and involves matters for which the Respondent may be disciplined by a Hearing Panel pursuant to MFDA By-laws. The proposed settlement agreement concerns allegations that:

- (a) the Respondent failed to fully carry out the terms of an Agreement and Undertaking with the MFDA; and
- (b) the Respondent, between March 2007 and December 2008, failed to:
  - i. implement an adequate branch review program;
  - ii. adequately review and approve amendments to Know-Your-Client (“KYC”) information;
  - iii. ensure that the KYC information on its back office system corresponded to the KYC information in client files;
  - iv. maintain or complete KYC information on client accounts;
  - v. implement an adequate two-tier compliance structure which ensured that branch managers were supervising trading activity at the branch office level and that sufficient evidence of the review of the suitability of client trading activity was maintained; and
  - vi. adequately review and approve the opening of new client accounts and then permitted trading in such accounts.

The settlement hearing is scheduled to commence at 11:00 a.m. (Mountain) on October 9, 2009 in the Hearing Room located at the Fairmont Palliser Hotel, 133 9<sup>th</sup> Avenue S.W., Calgary, Alberta. The hearing will be 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 MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 145 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

- 30 -