



NEWS RELEASE

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For further information, please contact:

Shaun Devlin
Vice-President, Enforcement
416-943-4672 or sdevlin@mfd.ca

MFDA issues Notice of Hearing regarding Nathan H. Disenhouse

January 5, 2010 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada (“MFDA”) today announced that it has commenced disciplinary proceedings against Nathan Hersh Disenhouse (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: Between October 2004 and October 2005, the Respondent engaged in securities related business that was not carried on for the account of the Member and through the facilities of the Member by selling, referring or facilitating the sale of an investment product that was not approved for sale by the Member to 18 individuals, 11 of whom were clients, contrary to MFDA Rules 1.1.1 and 2.1.1.

Allegation 2: Between October 2004 and October 2005, the Respondent engaged in a dual occupation that was not disclosed to and approved by the Member by selling, referring or facilitating the sale of an investment product to 18 individuals, 11 of whom were clients, contrary to MFDA Rules 1.2.1(d) and 2.1.1.

Allegation 3: Between October 2004 and October 2005, the Respondent failed to disclose to investors in the above-noted investment product that he had an interest in the company offering the investment product, thereby placing his own interests above those of the investors and giving rise to an actual or potential conflict of interest which he failed to address by the exercise of responsible business judgment influenced only by the best interests of the investors, contrary to MFDA Rules 2.1.4 and 2.1.1.

Allegation 4: Between 2005 and 2008, the Respondent engaged in a dual occupation that was not disclosed to and approved by the Member by entering into a referral agreement and referring clients to a third party that administered pension plans, contrary to MFDA Rules 1.2.1(d) and 2.1.1.

Allegation 5: Between February 2006 and 2008, the Respondent obtained and maintained blank, pre-signed trading forms in client files and used such forms to process a trade in at least one client account, thereby:

- a. failing to comply with the Member's express directions that he obtain original client signatures on trading authorization forms, contrary to MFDA Rules 1.1.2 and 2.5.1; and
- b. failing to observe high standards of ethics and engaging in business conduct or practice that was unbecoming, contrary to MFDA Rule 2.1.1

The first appearance in this matter will take place by teleconference before a Hearing Panel of the MFDA's Central Regional Council on February 8, 2010 at 10:00 a.m. (Eastern), or as soon thereafter as the appearance can be held. The purpose of the first appearance is to schedule the date for the commencement of the hearing of this matter on its merits and to address any other procedural matters and will be open to the public, except as may be required for the protection of confidential matters.

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, regulating the operations, standards of practice and business conduct of its 141 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

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