



## NEWS RELEASE

*For immediate release*

*For further information, please contact:*

Shaun Devlin  
Vice-President, Enforcement  
416-943-4672 or [sdevlin@mfd.ca](mailto:sdevlin@mfd.ca)

### **MFDA Hearing Panel accepts Settlement Agreement with Domenic Fanelli and makes findings against Michele Torchia**

**December 3, 2010** (Toronto, Ontario) – A settlement hearing in the matter of Domenic Fanelli was held today in Toronto, Ontario before a Hearing Panel of the MFDA's Central Regional Council. The Hearing Panel approved the Settlement Agreement between Mr. Fanelli and MFDA Staff, as a consequence of which Mr. Fanelli:

- has been permanently prohibited from conducting securities related business in any capacity while in the employ of, or in association with, any MFDA Member;
- has paid a fine in the amount of \$5,000; and
- has paid the costs in the amount of \$1,000.

In the Settlement Agreement, Mr. Fanelli admitted that:

- between July 2002 and September 2003, he was involved with outside business activity that was not disclosed to or approved by his Member, contrary to MFDA Rule 1.2.1(d)(iii);
- between February 2003 and September 2003, he recommended and facilitated the investment of funds in Kewl, a publicly traded company unknown to and unapproved by his Member, outside the Member and thereby engaged in securities related business contrary to the terms of his registration as a mutual fund salesperson under the *Securities Act* (Ontario) and MFDA Rule 2.1.1; and
- commencing on or about September 13, 2006, by failing to provide MFDA Staff with copies of bank statements that were requested during the MFDA's investigation, he breached section 22.1 of MFDA By-law No. 1.

Immediately following the settlement hearing in respect of Mr. Fanelli, a disciplinary hearing in the matter of Michele Torchia was held before the Hearing Panel. The Hearing Panel found that Allegations 6 and 7 set out by MFDA staff in the Notice of Hearing issued June 13, 2008 had been established, however the Panel reserved its decision with respect to sanction.

The Hearing Panel advised that it will issue written reasons for its decisions in due course. Copies of the [Notice of Hearing](#), [Settlement Agreement](#) and the Hearing Panel's [Order](#) are 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 136 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

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