

TORONTO, Oct. 25, 2013 /CNW/ - The MFDA today announced that it has commenced disciplinary proceedings in respect of William Morris Adams ("Adams"), Michelle Ann Crompton ("Michelle Crompton"), William Craig Henderson ("Henderson"), and Ian Omar Webster ("Webster"), collectively (the "Respondents"). MFDA staff alleges in its Notice of Hearing that the Respondents engaged in the following conduct contrary the By-laws, Rules or Policies of the MFDA:

Allegation #1: Between October 2008 and December 2008, Adams signed new account opening documents as the mutual fund salesperson responsible for the accounts of at least 12 clients, without having ever met with the clients, thereby failing to perform the necessary due diligence to learn the essential facts relative to the clients and failing to observe high standards of ethics and practice in the conduct of business, contrary to MFDA Rules 2.2.1 and 2.1.1.

Allegation #2: Between March 2007 and August 2008, Adams obtained blank, pre-signed new account opening forms and investment loan applications from at least 12 clients, which he forwarded to a third party to complete and submit to the Member in order to open accounts for the clients and implement a leveraged investment strategy in the accounts, and in so doing:

- (a) participated in an arrangement whereby the third party populated the new accounts
- (b) failed to ensure that the leveraged investment strategy was suitable for the clients

Allegation #3: Between May 2007 and September 2008, Webster had and continued in another gainful occupation which was not disclosed to and approved by the Member by advising, recommending, facilitating, or making referrals in respect of mortgages for 6 clients and one other individual, contrary to MFDA Rules 1.2.1(d) and 2.1.1.

Allegation #4: Between May 2007 and October 2008, Michelle Crompton, in her capacity as

the designated branch manager, failed to adequately supervise a branch office and failed to ensure that the business conducted on behalf of the Member by Approved Persons at the branch office was in compliance with MFDA By-law, Rules and Policies and applicable securities legislation, contrary to MFDA Rules 2.5.3(b), 2.1.1 and MFDA Policy No. 2.

Allegation #5: Beginning in or around September 2010, Michelle Crompton and Henderson have failed to attend an interview requested by MFDA Staff during the course of an investigation, contrary to section 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's Central Regional Council on December 6, 2013 at 9:00 a.m. (Eastern) in the MFDA hearing room located at 121 King Street West, Suite 1000, Toronto, Ontario

. The purpose of the appearance is to set a date for 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 115 Members and their approximately 80,000 Approved Persons with a mandate to protect investors and the public interest.

SOURCE Mutual Fund Dealers Association of Canada