Re Sharifian

IN THE MATTER OF:

The Mutual Fund Dealer Rules

and

Sholeh Sharifian

2026 CIRO 20

Canadian Investment Regulatory Organization
Hearing Panel (New Brunswick District)

Heard: May 4, 2026 by electronic hearing
Decision: May 4, 2026
Reasons for Decision: July 9, 2026

Hearing Panel:
Edward W. Keyes, K.C., Chair
David Smith, Industry Representative
Ken Wheelan, Industry Representative

Appearances:
Jennie Brodski, Enforcement Counsel
Rafal Szymanski, Counsel for the Respondent
Sholeh Sharifian, Respondent

REASONS FOR DECISION ON ACCEPTANCE OF SETTLEMENT

Background

[1] By Notice of Hearing dated May 5, 2025, the Canadian Investment Regulatory Organization ("CIRO") commenced a disciplinary proceeding against Sholeh Sharifian (the "Respondent") pursuant to rule 7.3 of the Mutual Fund Dealer ("MFD") Rules.[1]

[2] Staff of CIRO (**Staff**) and the Respondent subsequently entered into a Settlement Agreement, dated January 21st, 2026 (the **Settlement Agreement**) in which the Respondent admitted to certain misconduct in contravention of the MFD Rules, as set out below.

[3] In this proceeding, this Hearing Panel was convened to consider whether, pursuant to Rule 7.4.4.3 of the MFD Rules, it should accept the Settlement Agreement entered into by Staff and the Respondent. After considering the provisions of the Settlement Agreement, together with the submissions regarding the applicable

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[1] On January 1, 2023, the Investment Industry Regulatory Organization of Canada ("IIROC") and the Mutual Fund Dealers Association of Canada (the "MFDA") were consolidated into a single self-regulatory organization called the Canadian Investment Regulatory Organization (referred to herein as "CIRO") and is recognized under applicable securities legislation. CIRO adopted interim rules that incorporate the pre-amalgamation regulatory requirements contained in the rules and policies of IIROC and the by-law, rules and policies of the MFDA (the "Interim Rules"). The Interim Rules include (i) the Investment Dealer and Partially Consolidated Rules, (ii) the UMIR and (iii) the Mutual Fund Dealer Rules. These rules are largely based on the rules of IIROC and certain by-laws, rules and policies of the MFDA that were in force immediately prior to amalgamation. Pursuant to Mutual Fund Dealer Rule 1A and s. 14.6 of By-law No. 1 of CIRO, contraventions of former MFDA regulatory requirements may be enforced by CIRO.

law, the Panel unanimously accepted the Settlement Agreement and issued an Order accordingly advising that written reasons would follow. These are the Panel's reasons for doing so.

The Contravention

[4] In the Settlement Agreement, the Respondent admits that:

> Between November 2020 and May 2021, the Respondent processed redemptions at the request of a client, a senior, after receiving information that the client was a victim of fraud, without making adequate inquires [sic] as to the client's circumstances or reporting the information to the Dealer Member, contrary to Dealer Member's policies and procedures and Mutual Fund Dealer Rules 2.1.1, 2.2.1, and 1.1.2 (as it relates to 2.5.1).

The Facts

[5] The Settlement Agreement sets out the following facts admitted to by the Respondent:

Registration History

a. From April 25, 2019, to November 3, 2023, the Respondent was registered in New Brunswick as a Mutual Fund Dealer with Sun Life Financial Investment Services (Canada) Inc. (the **Dealer Member**), a Dealer Member of CIRO (formerly a Member of the MFDA).

b. At all material times, the Respondent conducted business in and around the Niagara, Ontario area.

c. The Respondent was also registered with the Dealer Member in Ontario from May 19, 2021 to November 3, 2023 and in Alberta from February 11, 2020 to December 31, 2020.

d. Between January 21, 2022 and October 31, 2023, the Dealer Member designated the Respondent as a Branch Manager.

e. On November 3, 2023 the Dealer Member terminated the Respondent, and she is not currently registered in the securities industry in any capacity.

f. At all material times, the Respondent conducted business in the cities of St. John, NB, Nepean ON, and Calgary, AB.

Failure to Know the Client and to Report Information to Dealer Member

a. The Dealer Member's policies and procedures provided that Approved Persons should be suspicious if the client "requests unusual transfers, withdrawals or other changes", makes "repetitive and pressing requests for withdrawals", or "gives out-of-character instructions for one large or several small cash withdrawals".

b. The Dealer Member's policies and procedures also stipulated that 'extra caution needs to be used when dealing with seniors [...] who deplete capital through withdrawals that exceed returns".

c. The Dealer Member's policies and procedures also provided that if an Approved Person suspects a client is in a vulnerable position the Approved Person should:

   i. consider meeting with the client more frequently to remain informed about changes in their financial needs, employment status, health and other life events;

   ii. document the interaction with the Client and the Approved Person's specific concerns, and discuss the situation with their manager; and

   iii. contact the Dealer Member who will provide guidance to the Approved Person.

d. In June 2019, client A was approximately 67 years old.

e. In June 2019, the Respondent met with the client and opened a new Registered Retirement Savings Plan (**RRSP**) account for the client at the Dealer Member. The Respondent was the Approved Person responsible for servicing the client's account.

f. The Respondent recorded Know-Your-Client information for the client when opening the RRSP which included:

   i. client A was self-employed;

   ii. little to no investment knowledge;

   iii. low to medium risk tolerance; and

   iv. a time horizon of three to seven years.

g. In July 2019, client A transferred an RRSP to the Dealer Member from another financial institution. The balance of the account totaling $132,692 was invested in the RRSP account in a certain mutual fund.

h. Soon after the transfer of client A's RRSP to the Dealer Member, the client initiated a monthly contribution of $200, purchasing the same mutual fund that client A already held in her account. This monthly contribution ran from August 9, 2019 through October 9, 2020.

i. On November 24, 2020, approximately 16 months after opening the account, client A contacted the Respondent and requested the first of six redemptions from her RRSP account.

j. As described below, between November 2020 and May 2021, client A requested a total of six redemptions from her RRSP, totaling $146,964.29. The Respondent processed the redemptions on behalf of the client, each of which was paid to client A's bank account on file with the Dealer Member.

k. When requesting the first two redemptions, client A advised the Respondent that the redemptions were required to cover a drop in income that client A experienced due to the COVID-19 pandemic. In respect of the second redemption, client A told the Respondent that she was in “financial jeopardy".

l. On March 25, 2021, client A asked the Respondent to withdraw $30,000 from her RRSP account. At this time, client A wrote to the Respondent informing her: "I have been a victim of a fraud and l need some money from my investment to help sort things out”.

m. With respect to the fourth redemption request, client A informed the Respondent by email that she was very short of money and asked whether there were any monies left invested in her account.

n. Client A made the fifth redemption request after asking the Respondent to help her find out more information about her prescription plan. She asked the Respondent to withdraw $10,000.

o. On May 12, 2021, the Respondent advised client A that she missed insurance premium payments. Client A told the Respondent that she was overdrawn, and the Respondent then suggested that she withdraw from her RRSP. Client A asked to withdraw $15,000, and the Respondent informed client A that she only had a balance of approximately $6,000 remaining. Client A asked the Respondent to withdraw the amounts remaining in her account.

p. The Respondent processed a redemption for $6,250, which left a balance of about $156 in client A’s RRSP account.

q. At all material times, the Respondent was aware that client A was a senior and was making frequent and repetitive redemptions from her investment accounts that were depleting her retirement savings.

r. The Respondent also processed four redemptions in client A’s account totaling $61,250, after client A informed the Respondent that she was a victim of fraud.

s. The Respondent failed to adequately know the client when she failed to make appropriate inquiries regarding the circumstances of the fraud that the client advised her she was a victim of, or to obtain an accurate understanding of client A's financial position at that time.

t. The Respondent also did not report to the Dealer Member that client A made unusual requests for redemptions from her account or that client A had informed her that she was a victim of fraud and continued to process redemptions in the client's account as described above.

u. In August 2022, client A's immediate family member contacted the Respondent expressing concerns about the redemptions in client A's account. The Respondent then advised the Dealer Member about the complaint.

v. After investigating the matter, client A accepted payment of compensation from the Dealer Member.

w. The Respondent states that she has limited financial means and as a result she is unable to pay a monetary penalty that is greater than the amounts set out in this Settlement Agreement. The Respondent has provided evidence to CIRO Staff which confirms that she has modest guaranteed income and few assets and savings.

x. The Respondent has not previously been the subject of disciplinary proceedings commenced by the MFDA or CIRO.

y. In relation to Sun Life's investigation into this matter, the Respondent was placed under close supervision from July 14, 2023 until November 3, 2023, and was charged a monthly close supervision administration fee of $400, for a total amount of $1,600.

Discussion

[6] Pursuant to Mutual Fund Dealer Rule 7.4.4.3, a Hearing Panel has two options with respect to a settlement agreement. It may either accept the settlement agreement or reject it[2].

[7] The Panel was aware that before accepting a settlement agreement, a hearing panel must be satisfied that:

i. the facts admitted to by the Respondent constitute misconduct in contravention of the By-Laws, MFD Rules and Policies, or provincial securities legislation; and

ii. the sanctions proposed in the settlement agreement fall within a reasonable scope of appropriateness, keeping in mind the nature and extent of the misconduct under all the contraventions.

[8] The role of a hearing panel at a settlement hearing is fundamentally different than its role at a contested hearing. As stated by the MFDA hearing panel in *Re Sterling Mutuals Inc.*[3], citing the reasoning in the IDA decision of *Re Milewski*[4]:

> We also note that while in a contested hearing the Panel attempts to determine the correct penalty, in a settlement hearing the Panel "will tend not to alter a penalty that it considers to be within a reasonable range, taking into account the settlement process and the fact that the parties have agreed. It will <u>not reject a settlement unless it views the penalty as falling outside a reasonable range of appropriateness</u>." [Emphasis added.]

[9] The Panel was also aware that Courts have expressed their approval of settlements as a practical and effective manner of addressing misconduct in the securities industry:

> Settlements assist the Commission to ensure that its overriding objective, the protection of the public is met...[settlements] provide means of reaching a flexible remedy that is tailored to address the interests of both the Commission and the person under investigation. Enforcement is rarely a concern because the settlement is voluntary. A person who is subject of an investigation retains the option of refusing to settle and proceeding to a hearing[5].

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[2] Mutual Fund Dealer Rule 7.4.4.3, SBA
[3] *Re Sterling Mutual Inc.*, MFDA File No. 200820, at para. 37
[4] *Re Milewski* 1999 I.D.A.C.D. No. 17, at para 12
[5] *British Columbia Securities Commission v. Seifert*, 2007 BCCA 484 at para. 31.

[10] MFDA hearing panels have consistently held that an Approved Person who processes redemptions without taking adequate steps to verify the client's instructions or circumstances, and/or without reporting suspicious information to the Dealer Member, particularly where there are red flags suggesting fraud or other suspicious activity, engages in conduct that is contrary to Mutual Fund Dealer Rules 2.1.1 (formerly MFDA Rule 2.1.1), 2.2.1, and 1.1.2 (as it relates to 2.5.1)[6].

[11] MFDA hearing panels have also held that Approved Persons must follow and comply with their Dealer Member's policies and procedures when processing redemption requests. Those policies and procedures are essential to supervision, client protection, and the detection and prevention of fraud or other suspicious activity[7].

[12] Where an Approved Person becomes aware of information indicating that a client may be vulnerable, in financial distress, or the victim of fraud, the Approved Person must make adequate inquiries to understand the client's circumstances and must immediately report the relevant information to the Dealer Member in accordance with the Dealer Member's policies and procedures.

[13] The failure to follow Dealer Member policies and procedures despite red flags is serious misconduct. Good intentions or a belief that the Approved Person is assisting the client does not excuse the failure to make appropriate inquiries, verify instructions, and escalate suspicious circumstances to the Dealer Member[8].

[14] In the present case, the Panel, having considered in detail the agreed to facts as set out in the Settlement Agreement, concluded that the allegations as admitted to by the Respondent had been proven and constituted misconduct that contravened Mutual Fund Dealer Rules 2.1.1, 2.2.1, and 1.1.2 (as it relates to 2.5.1).

Proposed Penalty

[15] The Panel then considered the appropriateness of the proposed sanctions as set out in the Settlement Agreement. In doing so, the Panel considered the submissions of counsel, as well as the CIRO Sanction Guidelines and the substantial case law to which it was referred to in this matter.

[16] Hearing panels of CIRO (formerly the MFDA) have taken into account the following considerations when determining whether a proposed settlement should be accepted[9]:

a. whether the acceptance of the settlement proposal would be in the public interest and whether the penalty imposed will protect investors;

b. whether the Settlement Agreement is reasonable and proportionate, having regard to the conduct of the Respondent as set out in the Settlement Agreement;

c. whether the Settlement Agreement addresses the issues of both specific and general deterrence;

d. whether the proposed settlement will prevent the type of conduct described in the Settlement Agreement from occurring again in the future;

e. whether the Settlement Agreement will foster confidence in the integrity of the Canadian capital markets;

f. whether the Settlement Agreement will foster confidence in the integrity of CIRO; and

g. whether the Settlement Agreement will foster confidence in the regulatory process itself.

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[6] *Re Halloran* 2019 LNCMFDA 127, at paras. 40-42
Re Chiu 2017 LNCMFDA 216, at paras. 2(b), 5
[7] *Re Tay* 2017 LNCMFDA 77, at paras. 31-32
Re Coward 2017 LNCMFDA 74, at paras. 3, 6
[8] *Re Halloran*, supra, note 6
Re Tay, supra, note 7
[9] *Re Jacobson* MFDA Hearing No. 200712, at para 68

[17] Specific factors which hearing panels frequently consider when determining whether a penalty is appropriate, include the following[10]:

a. The seriousness of the allegations proved against the Respondent;

b. The Respondent's past conduct, including prior sanctions;

c. The Respondent's experience level of activity in the capital markets;

d. Whether the Respondent recognizes the seriousness of the improper activity;

e. The harm suffered by investors as a result of the Respondent's activities;

f. The benefits received by the Respondent as a result of the improper activity;

g. The risk to investors and the capital markets in the jurisdiction, were the Respondent to continue to operate in capital markets in the jurisdiction;

h. The damage caused to the integrity of the capital markets in the jurisdiction by the Respondent's conduct;

i. The need to deter not only those involved in the case being considered, but also any others who participate in the capital markets, from engaging in similar improper activity;

j. The need to alert others to the consequences of inappropriate activities to those who are permitted to participate in the capital markets; and

k. Previous decisions made in similar circumstances.

[18] The Hearing Panel also considered the CIRO Sanction Guidelines which came into effect on February 1, 2024. While the guidelines are not mandatory or binding on a hearing panel, they provide a summary of the key factors upon which discretion can be exercised consistently and fairly. The CIRO guidelines recommend consideration of many of the same factors that have been applied in previous cases and are as listed and applied above in the case of *Re Headley*[11].

[19] The Panel agreed with Staff's submissions that emphasis should be placed on the following factors in this matter:

a. The Respondent processed for redemption in client A's account transactions totaling $61,250.00 after client A, a 67 year-old senior, had informed the Respondent that she was a victim of fraud. The Dealer Member's policies and procedures were clear that "extra caution needed to be used when dealing with seniors who deplete capital through withdrawals that exceed returns". The Respondent failed to take any steps to satisfy her obligations to her client in this regard.

b. The Dealer Member's policies and procedures state that the Respondent should be suspicious if the client "requests unusual transfers, withdrawals or other changes". At the very least, the Respondent should have requested a meeting with her client, reviewed the situation to determine the circumstances of the unusual request, documented her meeting and discussed the situation with both her manager and ultimately the Dealer Member to seek guidance from them.

c. The Respondent has acknowledged that her conduct constitutes a serious contravention of the MFD Rules. By entering into a Settlement Agreement, the Respondent has accepted responsibility for her misconduct and has saved CIRO the time, resources and expense associated with a full disciplinary hearing.

d. There is no evidence that the Respondent benefited financially from the misconduct.

e. The Respondent has not previously been the subject of MFDA or CIRO disciplinary proceedings and was terminated by the Dealer Member.

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[10] *Re Headley* 2006 LNCMFDA 3, at para 85

[11] Ibid

[20] The Panel is satisfied that the proposed sanctions are significant enough to act as a general deterrence, warning others who participate in the industry that both care and precaution need to be exercised by Approved Persons when dealing with a client who they are aware or who they suspect is in a vulnerable position.

[21] Furthermore, the Panel agreed that the proposed sanctions in this matter will specifically deter the Respondent from engaging in similar activity by imposing a meaningful sanction upon her that reflects the seriousness of her misconduct.

[22] The Panel also considered the sanctions imposed on Approved Persons by MFDA (now CIRO) hearing panels in the previous cases referred to by Staff and found that the sanctions proposed in this matter are consistent and appropriate under the circumstances.

Decision

[23] For all of the above reasons, the Panel agreed that the sanctions proposed in the Settlement Agreement were reasonable and proportionate. Accordingly, the Settlement Agreement was accepted, and the following sanctions were imposed upon the Respondent:

a. the Respondent shall pay a fine to CIRO in the amount of $7,500;

b. the Respondent shall pay costs in the amount of $5,000 upon acceptance of the Settlement Agreement; and

c. the Respondent shall in the future comply with Mutual Fund Dealer Rules 2.1.1, 2.2.1 and 1.1.2 (as it relates to 2.5.1).

DATED this 9th day of July, 2026.

"Edward W. Keyes"
Edward W. Keyes, K.C., Chair

"David Smith"
David Smith, Industry Representative

"Ken Wheelan"
Ken Wheelan, Industry Representative

CIRO · OCRI
Canadian Investment Regulatory Organization
Organisme canadien de réglementation des investissements

IN THE MATTER OF

THE MUTUAL FUND DEALER RULES

AND

SHOLEH SHARIFIAN

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Canadian Investment Regulatory Organization ("CIRO")[1] will issue a Notice of Settlement Hearing to announce a settlement hearing pursuant to Mutual Fund Dealer Rule 7.4.4 and Rules 14 and 15 of the Mutual Fund Dealer Rules of Procedure ("Rules of Procedure") to consider whether a Hearing Panel should accept this Settlement Agreement between Enforcement Staff and Sholeh Sharifian (the "Respondent").

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Enforcement Staff and the Respondent jointly recommend that the Hearing Panel accept this Settlement Agreement in accordance with the terms and conditions set out below.

PART III – AGREED FACTS

3. For the purposes of this Settlement Agreement, the Respondent agrees with the facts as set out in Part III of this Settlement Agreement.

Registration History

4. From April 25, 2019 to November 3, 2023, the Respondent was registered in New Brunswick as a Mutual Fund Dealer with Sun Life Financial Investment Services (Canada) Inc. (the

[1] Where the rules, by-laws, and policies of the Mutual Fund Dealers Association of Canada (the "MFDA") that were in force immediately prior to amalgamation of the Investment Industry Regulatory Organization of Canada and the MFDA have been incorporated into the Mutual Fund Dealer Rules, Enforcement Staff have referenced the relevant section of the Mutual Fund Dealer Rules.

"Dealer Member"), a Dealer Member of CIRO (formerly a Member of the MFDA). At all material times, the Respondent conducted business in the Niagara, Ontario area.

5. The Respondent was also registered with the Dealer Member in Ontario from May 19, 2021 to November 3, 2023, and in Alberta from February 11, 2020 to December 31, 2020.

6. Between January 21, 2022 and October 31, 2023, the Dealer Member designated the Respondent as a Branch Manager.

7. On November 3, 2023, the Dealer Member terminated the Respondent, and she is not currently registered in the securities industry in any capacity.

8. At all material times, the Respondent conducted business in the cities of St. John, NB, Nepean, ON, and Calgary, Alberta.

Failure to Know the Client and Report Information to the Dealer Member

9. At all material times, the Dealer Member's policies and procedures provided that Approved Persons should be suspicious if the client "requests unusual transfers, withdrawals or other changes", makes "repetitive and pressing requests for withdrawals", or "gives out-of-character instructions for one large or several small cash withdrawals".

10. At all material times, the Dealer Member's policies and procedures also stipulated that "extra caution needs to be used when dealing with seniors [...] who deplete capital through withdrawals that exceed returns".

11. The Dealer Member's policies and procedures also provided that if an Approved Persons suspects a client is in a vulnerable position the Approved Person should:

- consider meeting with the client more frequently to remain informed about changes in their financial needs, employment status, health and other life events;
- document the interaction with the Client and the Approved Person's specific concerns, and discuss the situation with their manager; and
- contact the Dealer Member who will provide guidance to the Approved Person.

12. In 2019, client A was approximately 67 years old.

13. In June 2019, the respondent met with the client and opened a new Registered Retirement Savings Plan (“RRSP”) account for the client at the Dealer Member. The Respondent was the Approved Person responsible for servicing the client’s account.

14. The Respondent recorded Know-Your-Client information for the client when opening the RRSP which included:

    a) client A was self-employed;

    b) little to no investment knowledge;

    c) low to medium risk tolerance; and

    d) a time horizon of three to seven years.

15. In July 2019, client A transferred an RRSP to the Dealer Member from another financial institution. The balance of the account totaling $132,692 was invested in the RRSP account in a certain mutual fund.

16. Soon after the transfer of client A’s RRSP to the Dealer Member, the client initiated a monthly contribution of $200, purchasing the same mutual fund that client A already held in her account. This monthly contribution ran from August 9, 2019 through October 9, 2020.

17. On November 24, 2020, approximately 16 months after opening the account, client A contacted the Respondent and requested the first of six redemptions from her RRSP account.

18. As described below, between November 2020 and May 2021, client A requested a total of six redemptions from her RRSP, totaling $146,964.29. The Respondent processed the redemptions on behalf of the client, each of which was paid to client A’s bank account on file with the Dealer Member.

19. When requesting the first two redemptions, client A advised the Respondent that the redemptions were required to cover a drop in income that client A experienced due to the COVID-19 pandemic. In respect of the second redemption, client A told the Respondent that she was in “financial jeopardy”.

20. On March 25, 2021, client A asked the Respondent to withdraw $30,000 from her RRSP account. At this time, client A wrote to the Respondent informing her: “*I have been a victim of a fraud and I need some money from my investment to help sort things out*”.

21. In respect of the fourth redemption request, client A informed the Respondent by email that she was very short of money and asked whether there were any monies left invested in her account.

22. Client A made the fifth redemption request after asking the Respondent to help her find out more information about her prescription plan. She asked the Respondent to withdraw $10,000.

23. On May 12, 2021, the Respondent advised client A that she missed insurance premium payments. Client A told the Respondent that she was overdrawn, and the Respondent then suggested that she withdraw from her RRSP. Client A asked to withdraw $15,000, and the Respondent informed client A that she only had a balance of approximately $6,000 remaining. Client A asked the Respondent to withdraw the amounts remaining in her account.

24. The Respondent processed a redemption for $6,250, which left a balance of about $156 in client A’s RRSP account.

25. At all material times, the Respondent was aware that client A was a senior and was making frequent and repetitive redemptions from her investment accounts that were depleting her retirement savings.

26. The Respondent also processed four redemptions in client A’s account totaling $61,250, after client A informed the Respondent that she was a victim of fraud.

27. The Respondent failed to adequately know the client when she failed to make appropriate inquiries regarding the circumstances of the fraud that the client advised her she was a victim of, or to obtain an accurate understanding of client A's financial position at that time.

28. The Respondent also did not report to the Dealer Member that client A made unusual request for redemptions from her account or that client A had informed her that she was a victim of fraud and continued to process redemptions in the client's account as described above.

29. In August 2022, client A's immediate family member contacted the Respondent expressing concerns about the redemptions in client A's account. The Respondent advised the Dealer Member about the complaint.

30. After investigating the matter, client A accepted payment of compensation from the Dealer Member.

Additional Factors

31. The Respondent states that she has limited financial means and as a result she is unable to pay a monetary penalty that is greater than the amounts set out in this Settlement Agreement. The Respondent has provided evidence to CIRO Staff which confirms that she has modest guaranteed income and few assets and savings.

32. The Respondent has not previously been the subject of disciplinary proceedings commenced by the MFDA or CIRO.

33. In relation to Sun Life's investigation into this matter, the Respondent was placed under close supervision from July 14, 2023 until November 3, 2023, and was charged a monthly close supervision administration fee of $400, for a total amount of $1,600.

34. By entering into this Settlement Agreement, the Respondent has saved CIRO the time, resources and expenses associated with conducting a contested hearing on the allegations.

PART IV – CONTRAVENTIONS

35. By engaging in the conduct described above, the Respondent committed the following contraventions of CIRO requirements:

- Between November 2020 and May 2021, the Respondent processed redemptions at the request of a client, a senior, after receiving information that the client was a victim of a fraud, without making adequate inquires as to the client's circumstances or reporting the information to the Dealer Member, contrary to Dealer Member's policies and procedures and Mutual Fund Dealer Rules 2.1.1, 2.2.1, and 1.1.2 (as it relates to 2.5.1).

PART V – TERMS OF SETTLEMENT

36. The Respondent agrees to the following sanctions and costs:

(a) the Respondent shall pay a fine in the amount of $7,500;

(b) the Respondent shall pay costs in the amount of $5,000;

(c) Upon any future registration, the Respondent shall comply with Mutual Fund Dealer Rules 2.1.1, 2.2.1, and 1.1.2 (as it relates to 2.5.1).

(d) If this Settlement Agreement is accepted by the Hearing Panel, the Respondent agrees to pay the amounts referred to above immediately upon such acceptance, unless otherwise agreed between Enforcement Staff and the Respondent.

PART VI – STAFF COMMITMENT

37. If the Hearing Panel accepts this Settlement Agreement, Enforcement Staff will not initiate any further action against the Respondent in relation to the facts set out in Part III and the contraventions in Part IV of this Settlement Agreement, subject to the provisions of the paragraph below.

38. If the Hearing Panel accepts this Settlement Agreement and the Respondent fails to comply with any of the terms of this Settlement Agreement, Enforcement Staff may bring proceedings under Mutual Fund Dealer Rule 7 against the Respondent. These proceedings

may be based on, but not limited to, the facts set out in Part III of this Settlement Agreement.

PART VII – PROCEDURE FOR ACCEPTANCE OF SETTLEMENT

39. This Settlement Agreement is conditional on acceptance by the Hearing Panel.

40. This Settlement Agreement shall be presented to a Hearing Panel at a settlement hearing in accordance with Mutual Fund Dealer Rule 7.4.4, and Rules of Procedure 14 and 15, in addition to any other procedures that may be agreed upon between the parties.

41. Enforcement Staff and the Respondent agree that this Settlement Agreement will form all the agreed facts that will be submitted at the settlement hearing, unless the parties agree that additional facts should be submitted at the settlement hearing. If the Respondent does not appear at the settlement hearing, Staff may disclose additional relevant facts, if requested by the Hearing Panel.

42. If the Hearing Panel accepts this Settlement Agreement, the Respondent agrees to waive all rights under the Rules and By-law No. 1 of CIRO, and any applicable legislation to any further hearing, appeal, and review.

43. If the Hearing Panel rejects this Settlement Agreement, Enforcement Staff and the Respondent may enter into another settlement agreement or Enforcement Staff may proceed to a disciplinary hearing based on the same or related allegations.

44. The terms of this Settlement Agreement are confidential unless and until this Settlement Agreement has been accepted by the Hearing Panel.

45. This Settlement Agreement will become available to the public upon its acceptance by the Hearing Panel and CIRO will post a copy of this Settlement Agreement on the CIRO website. CIRO will publish a notice and news release of the facts, contraventions, and the sanctions agreed upon in this Settlement Agreement and the Hearing Panel's written reasons for its decision to accept this Settlement Agreement.

46. If this Settlement Agreement is accepted, the Respondent agrees that neither they nor anyone on their behalf, will make a public statement inconsistent with this Settlement Agreement.

47. This Settlement Agreement is effective and binding upon the Respondent and Enforcement Staff as of the date of its acceptance by the Hearing Panel.

PART VIII – EXECUTION OF SETTLEMENT AGREEMENT

48. This Settlement Agreement may be signed in one or more counterparts which together will constitute a binding agreement.

49. An electronic copy of any signature will be treated as an original signature.

DATED this 21st day of January, 2026.

"Witness"
Witness

"Sholeh Sharifian"
Respondent

"Jennie Brodski"
Jennie Brodski
Enforcement Counsel on behalf of
Enforcement Staff of the Canadian
Investment Regulatory Organization

The Settlement Agreement is hereby accepted this 4th day of May, 2026 by the following Hearing Panel:

Per: "Edward Keyes"
Chair

Per: "David Smith"
Industry Member

Per: "Ken Wheelan"
Industry Member

[1] Where the rules, by-laws, and policies of the Mutual Fund Dealers Association of Canada (the "MFDA") that were in force immediately prior to amalgamation of the Investment Industry Regulatory Organization of Canada and the MFDA have been incorporated into the Mutual Fund Dealer Rules, Enforcement Staff have referenced the relevant section of the Mutual Fund Dealer Rules.