

Statement of Allegations and Decision

Credential Holder Name	MD Sabab Alam
Certification Date	RFRA Credential Holder since March 13, 2020 License Number: 613346
Date and Origin	September 15, 2023 – Environmental Scan
Allegations	<p>In late 2019, Mr. Alam received a telephone call from a client of the Member whose accounts you managed (“Client KK”). Client KK told you that his spouse (“Client SK”) wished to transfer her spousal Registered Retirement Savings Plan (“RRSP”) holdings to the Member (the “Transfer”).</p> <p>On or about February 6, 2020, the Transfer took place. Neither before nor at the time of the Transfer did either Client KK or Client SK provide any investment instructions regarding the transferred funds, nor did you make any recommendations.</p> <p>On or about February 11, 2020, without the prior knowledge or authorization of the Client SK, you processed a purchase of the Scotia Innova Growth Portfolio mutual fund in the amount of \$73,806.07 in Client SK’s account (the “Purchase”). Mr, Alam states that he believed Client SK would want to invest in this fund because it was similar to the investments she had held at another financial institution.</p> <p>Client SK had not signed documentation or provided instructions authorizing the Purchase. Despite this fact, on or about February 11, 2020, Mr. Alam filled out an Investment Direction Form that stated as follows: Client [SK] instructed over the phone on 11/02/2020 at 10:00 am to transfer funds from Spousal RRSP cash into mutual fund Scotia Innova Growth Portfolio of \$73,806.07.</p> <p>After Client KK complained about the Purchase, Client SK instructed the Member to switch the holdings that she had acquired through the Purchase to another mutual fund.</p> <p>This transaction resulted in a loss of approximately \$14,631. The Member has fully compensated Client SK for this loss.</p>

<p>Decision and Related Code of Conduct/Practice Standards</p>	<p>Since Mr. Alam was an RFRA holder during the occurrence of the allegations, the committee has determined that he violated the following principles of the CIFP Retirement Institute’s Code of Conduct for a Registered Financial and Retirement Advisor (RFRA).</p> <p>Best Interest and Duty of Care: An RFRA must provide planning services that are in the best interest of your client. RFRA’s have a duty of care to their clients when providing advising services, including recommendations to ensure they are appropriate, reasonable, prudent and, above all else, reflects the best interests of clients at all times. Mr. Alam did not proceed with the client’s desire to keep the proceeds of the transfer in a safe investment and instead purchased the Scotia Innova Growth Portfolio mutual fund and the client had not signed documentation or provided instructions authorizing the purchase. This action is not in keeping with this principle.</p> <p>Integrity: RFRA’s must act with integrity and in a trustworthy manner with their clients at all times. Characteristics such as intellectual honesty, impartiality, fairness, full disclosure of material facts and placing the best interests of clients above all other considerations. Without prior knowledge or authorization of your client, Mr. Alam processed a purchase of the Scotia Innova Growth Portfolio mutual fund and documented a false note in the file to say the client instructions were over the phone to transfer funds from the spousal RRSP cash into the mutual fund. Mr. Alam’s actions were not in keeping with this principle.</p> <p>Compliance: An RFRA must comply with all applicable laws, by-laws and regulations of governments, self-regulatory organizations and other oversight bodies. You contravened MFDA Rules 2.1.1, 2.3.1 and 1.1.2 (as it relates to Rule 2.5.1), as found by the MFDA Hearing Panel and therefore, violated the Compliance principle.</p>
<p>Date of Decision</p>	<p>March 21, 2024</p>
<p>Reasoning for Decision</p>	<p>This matter was settled in 2022 and you have already fulfilled all fines and penalties levied by the MFDA</p>
<p>Disciplinary Penalties Imposed by Retirement Institute</p>	<p>Mr. Alam must complete the CIFP Ethical Conduct for CFP Professionals - Scenario Set VII course for 2024 and submit proof of completion to the CIFP Retirement Institute.</p>

Date Disciplinary Penalties Fulfilled and Case Closed	May 8, 2024
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