

# IIROC NOTICE

## **Enforcement Notice Decision**

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Legal and Compliance

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**10-0093**  
**April 6, 2010**

## **IN THE MATTER OF Tony D’Ugo – Penalty**

### **SUMMARY**

Following a disciplinary hearing held on March 15, 2010, in Toronto, Ontario, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted that Tony D’Ugo (the “Respondent”) admitted the following contraventions:

- (a) During the period January 21, 2008 to February 13, 2008, the Respondent, while a Registered Representative at BMO InvestorLine Inc. (BMOIL), entered orders and executed trades in COV for a client and his associates that he knew, or ought to have known, would create, or could reasonably be expected to create, an artificial price and/or bid for the security contrary to UMIR 2.2(2)(b), 10.4(1) and 10.16(1)(b); and
- (b) During the period January 21, 2008 to February 13, 2008, the Respondent, while a Registered Representative at BMOIL, accepted trading instructions in respect of three client accounts from a person not authorized in writing to provide such instructions for those accounts, contrary to UMIR 2.1(1) and 10.4(1).

The Hearing Panel issued its Decision and Reasons on penalty on March 26, 2010 and imposed the following penalty against the Respondent:

- (a) a fine of \$40,000 payable to IIROC;



- (b) a suspension of access to IIROC-regulated marketplaces for 2 years from March 15, 2010;
- (c) Costs in the amount of \$15,000 payable to IIROC;
- (d) the Respondent must re-write and complete the Conduct and Practices Handbook examination prior to resuming his employment with a brokerage firm; and
- (e) once the Respondent resumes employment with a brokerage firm, he be subject to one year of close supervision by his employer firm.

IIROC formally initiated the investigation into the Respondent's conduct in June 2008. The violations occurred when the Respondent was a Registered Representative at the Toronto branch of BMO InvestorLine Inc., an IIROC-regulated firm. The Respondent is no longer a registrant with an IIROC-regulated firm.

The Hearing Panel's Decisions and Reasons are available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=99C1120C7AEE4A74AF11982F4386415E&Language=en>