

# IIROC NOTICE

## **Enforcement Notice Decision**

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**11-0211**  
**July 14, 2011**

## **IN THE MATTER OF Kenneth Nott – Penalty**

Following a disciplinary hearing held on December 7-18, 2009, January 25-February 10, 2010 and March 30-31, 2010, in Toronto, Ontario, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) found that Kenneth Nott entered artificial closing bids in contravention of UMIR 2.2(2)(b) and UMIR Policy 2.2.

The Hearing Panel found that Mr. Nott entered a total of 230 artificial closing bids consisting of one for African Copper PLC, 53 for Canaco Resources Inc., 91 for Central Canada Foods Corporation and 85 for Peterborough Capital Corp.

The Hearing Panel's Revised Decision and Reasons on the Merits dated April 30, 2011 is available at

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=FB22FC44647348AE8A1CA0D9166B5D73&Language=en>

Following a penalty hearing held on January 26 and 27, 2011, the Hearing Panel imposed the following penalties on Kenneth Nott:

- (a) a fine of \$15,000.00;
- (b) costs of \$5,000.00; and
- (c) close supervision for six months, the terms of which shall be determined by his employer.



The Hearing Panel noted that because of his inability to obtain employment since September 2008, there would be no order of suspension.

The Hearing Panel further ordered that:

Payment of the fine and costs shall not fall due until thirty days after the release of the Sanctions Decision and Reasons. Time and terms of payment of the fine shall be negotiated. If an agreement cannot be reached within thirty days of the release of the Sanctions Decision and Reasons, written submissions shall be submitted to the Panel and the Panel will fix the terms of payment.

The Decision and Reasons on Penalty are available at

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=C5A7FF2E49BF412083902A4F4707BCF0&Language=en>

IIROC Staff and Nott did not reach agreement on the time and terms of payment. The Hearing Panel ordered that:

Kenneth Nott pay \$625.00 per month on the fifth day of each month commencing June 5, 2012 for 22 months being a total of \$13,750.00 leaving a balance of \$6,250.00. One half this balance (\$3,125.00) shall be paid on the 5<sup>th</sup> day of the 23<sup>rd</sup> month. The remaining \$3,125.00 shall be paid on the 5<sup>th</sup> day of the 24<sup>th</sup> month. Default in making any monthly payment shall not accelerate the remaining payments. All payments shall be applied firstly against any outstanding arrears.

In making the order, the Hearing Panel concluded that “some flexibility is required that will enable Nott to obtain employment in the investment industry before he is required to begin making payments.”

The Decision and Reasons on the time and terms of payment for Kenneth Nott are available at

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=D21E70A85FCE46EB813527A55B760E92&Language=en>

RS formally initiated the investigation into the Respondents conduct in January, 2006. The violations occurred when the Respondent was a Registered Representative with TD Securities Inc. Kenneth Nott is no longer a registrant with an IIROC-regulated firm.