

# IIROC NOTICE

## **Enforcement Notice Decision**

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**11-0175**  
**June 7, 2011**

## **IN THE MATTER OF Kenneth Nott, Aidin Sadeghi, Christopher Kaplan, Robert Nemy and Jake Poulstrup – 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, Aidin Sadeghi, Christopher Kaplan, Robert Nemy and Jake Poulstrup (the “Individual Respondents”) entered artificial closing bids in contravention of UMIR 2.2(2)(b) and UMIR Policy 2.2.

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

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

Specifically, the Hearing Panel found:

### **Kenneth Nott**

Mr. Nott entered a total of 230 artificial closing bids consisting of one for African Copper PLC (“ACU”), 53 for Canaco Resources Inc. (“CAN”), 91 for Central Canada Foods Corporation (“CDF.A”) and 85 for Peterborough Capital Corp. (“PEC”).



### **Aidin Sadeghi**

Mr. Sadeghi entered a single artificial closing bid in PEC on July 15, 2005 and two artificial closing bids in CDF.A, one on October 14 and one on October 21, 2005. None of these bids was part of a pattern of entering artificial closing bids. All other allegations of entering artificial closing bids as against Mr. Sadeghi were dismissed.

### **Christopher Kaplan**

Mr. Kaplan entered 19 artificial closing bids in CAN with less than two minutes remaining in the trading day between May 12 and October 13, 2005 and 18 artificial closing bids earlier in the day between May 13 and October 25, 2005. The allegations that he entered four artificial closing bids for CDF.A and one for PEC were dismissed.

### **Robert Nemy**

Mr. Nemy entered 39 artificial closing bids with the improper intention of maintaining the value of Titanium Corporation Inc. (“TIC”) over a six month period in 2005.

### **Jake Poulstrup**

Mr. Poulstrup entered 13 artificial closing bids in TIC between July 4 and July 22, 2005. On August 9, 2005 he entered another artificial closing bid in TIC. The remaining allegations of artificial closing bids in TIC and two artificial closing bids in CAN as against Mr. Poulstrup were dismissed.

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

### **Kenneth Nott**

- (a) a fine of \$15,000.00;
  - (b) costs of \$7,500.00; 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

### **Aidin Sadeghi**

- (a) a fine of \$5,000.00. The Hearing Panel noted that there would be no order of suspension or for supervision and strongly recommended that the close supervision order presently in effect against Mr. Sadeghi be rescinded.



### **Christopher Kaplan**

(a) a fine of \$35,000.00;  
(b) costs of \$15,000.00; 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 for thirteen months since September 2008, there would be no order of suspension. In addition, the Hearing Panel ordered that the trade restrictions presently in effect against Mr. Kaplan shall cease to apply immediately

### **Robert Nemy**

(a) a fine of \$75,000.00;  
(b) costs of \$37,500.00; 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.

### **Jake Poulstrup**

(a) a fine of \$20,000.00;  
(b) costs of \$10,000.00; 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 for thirteen months since September 2008, there would be no order of suspension. In addition, the Hearing Panel ordered that the trade restrictions presently in effect against Mr. Poulstrup shall cease to apply immediately

The Decision and Reasons on Penalty dated April 30, 2011 are available at  
<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=C5A7FF2E49BF412083902A4F4707BCF0&Language=en>

RS formally initiated the investigation into the Respondents conduct in January, 2006. The violations occurred when the Individual Respondents were Registered Representatives with TD Securities Inc. Christopher Kaplan, Jake Poulstrup and Aidin Sadeghi are currently Registered Representatives with W.D. Latimer Co. Limited. Kenneth Nott and Robert Nemy are no longer registrants with an IIROC-regulated firm.