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*For distribution to relevant parties within your firm*

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**BULLETIN #3635**

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## Discipline

### **Discipline Penalties Imposed on Stacey Trevor Symonds; Violations of Regulation 1300.4**

**Person Disciplined** A Hearing Panel appointed pursuant to IDA By-law 20 has imposed discipline penalties on Stacey Trevor Symonds, at all material times a Registered Representative with CIBC World Markets, operating as CIBC Wood Gundy, a Member of the IDA.

**By-laws,  
Regulations,  
Policies Violated** Following a Settlement Approval hearing held on April 26, 2007, in Halifax, Nova Scotia, a Hearing Panel accepted the Settlement Agreement.

Pursuant to the Settlement Agreement, Mr. Symonds admitted he engaged in conduct unbecoming contrary to Association Regulation 1300.4 in that he effected discretionary trades in the accounts of 3 clients, without such accounts having been approved and accepted as discretionary accounts, contrary to Association Regulation 1300.4.

**Penalty Assessed** The discipline penalties assessed as against Mr. Symonds are:

1. A fine in the amount of \$20,000;
2. Strict supervision for a period of 1 year upon any subsequent registration with a Member firm
3. Successful completion of the examination based on the *Conduct and Practices Handbook* Course within 6 months from any subsequent registration with a Member firm; and
4. Mr. Symonds will also pay the IDA's investigation and prosecution costs in the amount of \$3,000.

**Summary of Facts** At all material times Mr. Symonds was employed at the Kentville, Nova Scotia branch of CIBC World Markets, operating as CIBC

Wood Gundy (“CIBC-WG”). Mr. Symonds resigned from CIBC-WG on February 3, 2005 and is not currently employed with a Member firm.

The misconduct at issue in this case took place during the period March 2004 – November 2004.

***SM & DM***

SM and DM are spouses of one another. SM and DM had been clients of the Respondent since 1997.

In December 2000, the Respondent opened a new account for SM and DM (the “House Proceeds account”).

In September or October of 2004, SM & DM advised the Respondent that they were purchasing a home and would need the funds in the House Proceeds account in advance of the closing of the home purchase, which was scheduled for November 25, 2004.

In order to provide SM and DM with the funds they required for their down-payment, the Respondent arranged to have the funds withdrawn from the individual RRSPs of SM and DM. In order to facilitate this transaction, the Respondent provided SM and DM with forms entitled, “*RRSP Deregistration Summary Forms*” for their signatures.

The RRSP Deregistration Summary Forms were provided to SM and DM in blank. The Respondent had not filled in the amounts which were to be withdrawn.

In order to withdraw the funds from the House Proceeds and RRSP accounts, certain securities had to be sold within those accounts. The Respondent did not discuss with SM and/or DM which securities in the House Proceeds and/or RRSP accounts would be sold, notwithstanding that none of the accounts were set up as discretionary accounts.

The Respondent executed three trades in the House Proceeds account without specifically discussing with SM or DM which securities would be sold.

The Respondent executed eight trades in the RSP account of SM, without specifically discussing with SM which securities would be sold.

The Respondent executed six trades in the RSP account of DM, without specifically discussing with DM which securities would be sold.

***LT***

LT had been a client of the Respondent since November 2000. She had an RRSP account at CIBC-WG, and the Respondent was the RR on that account.

LT opened a margin account and transferred securities from her RRSP account to that account. Securities were also sold within her RRSP account in order to pay the withholding taxes associated with the transfers to the margin account.

In order to transfer the securities from the RRSP account to the margin account, LT was required to complete a "Request for Deregistration of RRSP" form. LT signed three such forms.

The Request for Deregistration of RRSP Forms were provided to LT by the Respondent in blank. The Respondent had not filled in the securities which were to be transferred out of the RRSP account.

The Respondent did not specifically discuss with LT which securities in her RRSP account would be transferred to the margin account, notwithstanding that the RRSP account was not set up as a discretionary account.

In order to pay the withholding taxes, certain securities had to be sold within the RRSP account. As a result, three sales were executed in the RRSP account.

The Respondent did not discuss with LT which securities in the RRSP account would be sold, notwithstanding that the account was not set up as a discretionary account.

Apart from these proceedings, Mr. Symonds has no disciplinary record with the Association.

For further details, please see the Settlement Agreement and the Hearing Panel's reasons posted on the Association's website at [www.ida.ca](http://www.ida.ca).

Kenneth A. Nason  
Association Secretary