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**BULLETIN # 2517**  
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## Discipline

### Discipline Penalties Imposed on Jeffrey Lyle Brandes - Violations of By-laws 19.6 and 29.1, Regulations 1300.4 and 1900.2(b)

Person Disciplined	The Ontario District Council of the Investment Dealers Association of Canada has imposed discipline penalties on <b>Jeffrey Lyle Brandes</b> , at the relevant time a Registered Representative of First Marathon Securities Limited, a Member of the Association.
By-laws, Regulations, Policies Violated	On August 25th, 1998, the District Council conducted a discipline hearing into allegations by the Association Enforcement Division staff that Mr. Brandes had contravened Association By-law 19.6 by withholding or concealing information from an Association investigator and By-law 29.1 by engaging in business conduct unbecoming or detrimental to the public interest by misappropriating \$770 from a client and by trading in securities on behalf of that client while holding a restricted license. It was also alleged that Mr. Brandes conducted a discretionary trade in the account of another employee contrary to Regulation 1300.4 and that he traded in options while not licenced to do so, contrary to Regulation 1900.2(b).The District Council found that Brandes had contravened all of the above-mentioned By-laws and Regulations.
Penalty Assessed	The discipline penalty assessed against Mr. Brandes is a fine in the amount of \$5,000.00. In addition, Mr. Brandes is required to pay \$5,000.00 toward the Association's costs of investigation of this matter.
Summary of Facts	The District Council found that in April, 1995 Mr. Brandes took an order for the purchase of shares from a personal friend. He took payment for this trade in the form of \$770 cash which he then misappropriated to his own use. The District Council also found that he entered the order for this trade despite the fact that his regulatory approval restricted him from doing so. When questioned on these events by an Association investigator, he withheld or concealed information in relation to them.

The District Council further found that in an unrelated event, he placed an order for the

purchase and sale of options in the account of a fellow employee while not licensed to do so and without the authority of that employee.

In determining the appropriate penalty, the District Council took into account the particular mitigating factors of this case, namely, that the amount misappropriated was small, that Mr. Brandes was only 26 years old when the violations occurred, he has considerable support from his present employer, that he is closely supervised, that his remorse appeared to be genuine and that he understands the gravity of his acts. The District Council also recognized that the deliberate falsehoods told by the Respondent to the investigator unnecessarily complicated the investigation, adding to both time expended and expenses incurred.

Mr. Brandes is currently employed by Dominick & Dominick Securities Inc., a Member of the Association, as a Registered Representative, Restricted Order Trader in Toronto, Ontario.

Lyn M. Gilchrist  
*Association Secretary*