



# bulletin



*Contact:*  
Greg Clarke  
Senior Vice-President  
Member Regulation  
(416) 865-3038

*For distribution to relevant parties within your firm*

**BULLETIN # 2573**  
March 24, 1999

## Suspension

### Essex Capital Management Ltd

**Member Suspended** The Ontario District Council of the Investment Dealers Association of Canada has suspended the rights and privileges of Essex Capital Management Ltd. ("Essex") as a member of the IDA effective March 22, 1999 and has directed Essex to immediately cease dealing with the public.

**Summary of Facts** The IDA suspended Essex's membership as a result of the Superintendent of Financial Services, Financial Services Commission of Ontario, issuing orders freezing the assets of Essex and an affiliated company, Nelbar Financial Corporation. The freeze orders were issued in response to information received by the Superintendent that Nelbar was accepting deposits from the public without registration under the Loan and Trust Corporations Act. Once the assets of Essex were frozen, the firm was unable to meet the regulatory capital requirements necessary for operation of business. As a result, the membership of Essex was suspended by the IDA.

In accordance with existing arrangements between Essex and TD Securities Inc., all brokerage accounts of clients of Essex are being held at TD Securities Inc. The IDA is in the process of negotiating arrangements with TD Securities Inc. to allow clients to access their assets held in Essex accounts by TD Securities. A further Bulletin will be issued and the clients notified once these arrangements have been finalized.

Lyn M. Gilchrist  
*Association Secretary*