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For distribution to relevant parties within your firm

BULLETIN # 2693
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Discipline

Discipline Penalties Imposed on Douglas Allan - Violation of Regulation 1300.1(a)

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| Person Disciplined | The Alberta District Council of the Investment Dealers Association of Canada has imposed discipline penalties on Douglas Allan , at the relevant time a Registered Representative and Vice President in the Red Deer, Alberta branch office of Nesbitt Burns Inc., a Member of the Association. |
| By-laws, Regulations, Policies Violated | On February 3, 2000 a panel of the District Council considered, reviewed, and accepted a Settlement Agreement negotiated between the Association staff and Mr. Allan. Pursuant to the Settlement Agreement, Mr. Allan admitted to failing to use due diligence to ensure that a trade made in the managed account of a client was consistent with the Managed Account Authorization and Agreement signed by the client, and the internal policies of his Member firm, contrary to Regulation 1300.1(a). |
| Penalty Assessed | The discipline penalty assessed against Mr. Allan is a fine in the amount of \$2,500.00. In addition, Mr. Allan is required to pay \$800.00 towards the Association's costs of investigation of this matter. |
| Summary of Facts | <p>In September 1994 Mr. Allan was the registered representative of record for a client who maintained a managed account with Nesbitt Burns Inc. A clause in the Managed Account Authorization and Agreement prohibited the account from holding speculative grade securities and other high risk investments. On September 6, 1994, following an unsolicited order from the client, Mr. Allan facilitated the purchase of a security that was considered speculative, contrary to the express terms of the Managed Account Authorization and Agreement.</p> <p>Mr. Allan is presently employed by Nesbitt Burns Inc. in its branch office in Red Deer, Alberta.</p> |

Timothy P. Ryan
Association Counsel & Secretary