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Discipline

Discipline Penalties Imposed on Robert Kyle – Violation of By-law 29.1

Person Disciplined	The Ontario District Council of the Investment Dealers Association of Canada has imposed discipline penalties on Malcolm Robert Bruce Kyle ("Kyle"), at the relevant time President and CEO of Derivative Services Inc. ("DSI"), a Member of the Association. The District Council has also imposed discipline penalties on DSI, including a termination of Membership (see Bulletin #2737).
By-laws, Regulations, Policies Violated	By written decision dated May 5, 2000 (now reported at 23 O.S.C.B. 3492), the District Council concluded that both Kyle and DSI engaged in business conduct or practice that is unbecoming or detrimental to the public interest by failing to provide documents or other information requested by Association staff in the course of an investigation pursuant to By-law 19 of the Association, contrary to By-law 29.1 of the Association.
Penalty Assessed	By written decision dated June 29, 2000, the District Council assessed the following penalties on Kyle: a fine in the amount of \$45,000; a revocation of approval; and a bar on re-approval until the above fine is paid, until the fine imposed on DSI is paid, until Kyle and DSI have paid the costs ordered payable to the Association, and until DSI has complied with the relevant request for documents and information. The District Council ordered Kyle and DSI to pay \$5,000.00 towards the Association's costs in the matter.
Summary of Facts	In December 1997, the District Council issued an order setting out certain terms and conditions of membership applicable to DSI. In early 1998, the Enforcement Division of the Association commenced an investigation concerning compliance by DSI with the terms and conditions in that order. In June 1998, in the course of that investigation, an investigator with the Enforcement Division sent Kyle a written request for relevant documents and information from DSI. Neither Kyle nor DSI complied

with the request.

Suzanne Barrett
Association Secretary