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**BULLETIN # 2741**  
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## Discipline

### Discipline Penalties Imposed on Mark Fridgant - Violation of By-law 29.1, Regulations 1300.1(b) and 1300.1(c)

Person Disciplined	The Ontario District Council of the Investment Dealers Association of Canada has imposed discipline penalties on Mark Fridgant, at the relevant time a Registered Representative with Moss, Lawson & Co. Limited (now HSBC Securities (Canada) Inc.) (“Moss Lawson”) and Nesbitt Burns Inc. (now BMO Nesbitt Burns Inc.) (“Nesbitt Burns”) both Members of the Association.
By-laws, Regulations, Policies Violated	<p>On June 9, 2000, the District Council concluded a discipline proceeding concerning allegations made by Enforcement Staff that Mr. Fridgant violated Association By-laws. The District Council found that Mr. Fridgant contravened Association By-laws as follows:</p> <ol style="list-style-type: none"><li>1. In or about March 1990 to July 1996 Mr. Fridgant effected 56 transactions in a client's RRIF on a deferred sales charge basis in order to generate excessive commissions, contrary to By-law 29.1;</li><li>2. In or about December 1991 to July 1996 Mr. Fridgant effected transactions in a client's RRIF account that created or increased a debit balance and created a potential tax liability for the client, contrary to Regulation 1300.1(b); and</li><li>3. In or about March 1990 to July 1996 Mr. Fridgant failed to exercise due diligence to ensure the recommendations for a client's RRIF account were appropriate, contrary to Regulation 1300.1(c).</li></ol>
Penalty Assessed	The discipline penalties assessed against Mr. Fridgant are a fine in the amount of \$55,000, suspension for a period of 1 month to be followed by strict supervision of his activities for a period of two years. Mr. Fridgant is required to re-write the Conduct and Practices Exam within 90 days of the date of the decision, and pay costs of \$7,000 to the Association.

Summary  
of Facts

Commencing in or about March 1990 through to July 1996, Mr. Fridgant handled the RRIF account of his client while working at Moss, Lawson and subsequently at Nesbitt Burns. During this time Mr. Fridgant completed 56 transactions in the RRIF account and his client incurred a total of \$59,032 in deferred sales charges or redemption fees and switching fees. During the same time the client's account declined in value from \$125,500 to \$81,032.71, of which \$32,212.06 was withdrawn by the client from the RRIF pursuant to mandatory de-registration provisions of the Income Tax Act.

During this time on at least 18 occasions Mr. Fridgant effected transactions that created or increased a debit balance in the RRIF account and thereby created a potential tax liability for the client.

The client has since been compensated for his losses in the RRIF account. Mr. Fridgant contributed \$20,000 to a compensation package paid to the client. Moss, Lawson and Nesbitt Burns made contributions to the package as well.

Mr. Fridgant is currently employed by Canaccord Capital Corporation.

Suzanne Barrett  
*Association Secretary*