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## Discipline

### Penalties To Be Imposed On Joachim Burgess James (“Jake”) Tiley - Violation Of By-Law 29.1

Person Disciplined	The Ontario District Council of the Investment Dealers Association of Canada has imposed discipline penalties on Joachim Burgess James (“Jake”) Tiley, at the relevant times a Registered Representative with First Delta Securities Inc., a member of the Association.
By-laws, Regulations, Policies Violated	On July 24, 2002 the District Council heard evidence and representations concerning an allegation against Mr. Tiley that he had conducted himself in a manner unbecoming or detrimental to the public interest, contrary to IDA By-Law 29.1
Penalty Assessed	The discipline penalties assessed against Mr. Tiley are a suspension of his registration with the Association; in addition, he will be prohibited from applying for registration for a period of five years, and can only be readmitted upon the advice of the District Council after an examination of his fitness to re-enter the industry. That examination will include a requirement for Mr. Tiley to re-write all applicable qualification examinations at the time. Finally, the Council ordered that Mr. Tiley pay costs of the Association’s investigation in the amount of \$5,000.
Summary of Facts	At all relevant times, Mr. Tiley was employed as a Registered Representative with First Delta Securities Inc.  In 1999, a couple opened joint US and Canadian dollar margin accounts at First Delta Securities Inc., with Mr. Tiley as their investment advisor. Discretionary trading in the accounts was not authorized. Trading activity proceeded in those accounts without recorded incident until the summer of 2000.

In August 2000, when the clients were away on vacation, Mr. Tiley without instructions or authority executed some 68 trades in their accounts. The total value of the securities traded was approximately \$1,208,635. In the Canadian dollar account, the value of unauthorized trading was approximately 45% of the account value; in the US dollar account, the unauthorized trades represented approximately twelve times the account's value.

In September, 2000, upon his return from vacation, one of the clients saw his statements detailing the unauthorized trades, and immediately contacted Mr Tiley, who confirmed that he had made the unauthorized trades, and handed the client over to his superior at First Delta. Mr. Tiley again admitted to his superior that he had indeed executed the unauthorized trades.

The Respondent's employment with First Delta was immediately terminated, and First Delta reversed all of the unauthorized trades in the clients' accounts. The loss resulting from the unauthorized trading activity by Mr. Tiley was in the order of \$40,000 to \$50,000. None of that loss was borne by the clients.

At the time of the unauthorized trading, Mr. Tiley was under a high degree of stress in his personal life. He provided documentation to confirm this fact.

Kenneth A. Nason  
*Association Secretary*