



INVESTMENT DEALERS
ASSOCIATION OF CANADA

bulletin



ASSOCIATION CANADIENNE DES
COURTIERS EN VALEURS MOBILIÈRES

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For distribution to relevant parties within your firm

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Discipline

Discipline Penalties Imposed on John Patrick O'Malley – Violation of By-law 19.5

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| Person Disciplined | The Ontario District Council of the Investment Dealers Association of Canada has imposed discipline penalties on John Patrick O'Malley, a former Registered Representative with TD Securities Inc., a Member of the Association. |
| By-laws, Regulations, Policies Violated | At a discipline hearing on July 30, 2003, Mr. O'Malley admitted he violated Association By-law 19.5 by failing to attend and give information in respect of an investigation being conducted by the Association's Enforcement Department. The Ontario District Council released its decision on August 26, 2003, noting the 19.5 violation. |
| Penalty Assessed | Following a penalty hearing of this violation on October 24, 2003, the Ontario District Council assessed a fine of \$10,000 against Mr. O'Malley, payable within six months. |
| Summary of Facts | <p>On April 9, 2003 the Association compelled Mr. O'Malley to attend an interview pursuant to an investigation into his conduct while a Registered Representative at TD Securities Inc. The interview was scheduled for May 14, 2003. Mr. O'Malley retained counsel in the matter and the interview date was re-scheduled twice - to June 5th and June 20th respectively. On June 16th however, Mr. O'Malley's counsel advised the Association by letter that Mr. O'Malley had decided not to attend the interview.</p> <p>On July 14, 2003 a Notice of Hearing was issued which alleged Mr. O'Malley had failed to co-operate by refusing to attend and provide information to Association staff. A hearing of the matter was held July 30th at which time Mr. O'Malley admitted the violation and was ordered to pay \$4,000 costs of the hearing and to co-operate with the Association by attending an interview. [See Bulletin # 3183, and Reasons for Decision, August 26, 2003].</p> |

The penalty portion of the hearing was put over to allow Mr. O'Malley time to comply with these orders. He did comply and subsequently appeared at the penalty hearing on October 24th, at which time District Council imposed a fine of \$10,000 for the violation. Written reasons for this decision will follow.

Mr. O'Malley has not been employed in a registered capacity with a Member firm since February 21, 2002.

Kenneth A. Nason
Association Secretary