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For distribution to relevant parties within your firm
BULLETIN # 3376
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Discipline

Discipline Penalties Imposed on Trevor Albert Holowatiuk; Violation of By-law 29.1

Person Disciplined A Hearing Panel appointed pursuant to IDA By-law 20 has imposed discipline penalties on Trevor Albert Holowatiuk, at all material times a Registered Representative with of the Edmonton Office of Scotia Capital Inc. (“Scotia Capital”), a Member of the IDA.

By-laws, Regulations, On October 14, 2004, the Alberta District Council considered and reviewed a Settlement Agreement negotiated between the Respondent and Association Staff.

Policies Violated Pursuant to the Settlement Agreement, the Respondent admitted:

Count 1

That between January 2002 and September 2003, the Respondent, at all material times a Registered Representative, engaged in 76 acts of forgery by signing client signatures on client account documentation and thereby failed to observe a high standard of ethics and conduct in the transaction of his business and thus engaged in business conduct and practice that was unbecoming or detrimental to the public interest, contrary to Association By-law 29.1.

Penalty Assessed

Penalties:

1. A global fine of \$40,000.00;
2. A permanent prohibition from approval to act in any registered capacity with any member of the Association; and
3. Cost of \$5,000.00.

Summary
of Facts

Facts:

At all relevant times, the Respondent was a Registered Representative with Scotia Capital Inc. in Edmonton, Alberta.

In and around October, 2003, Scotia Capital received information that the Respondent had signed a client's name to an account document. Scotia Capital conducted an internal investigation including an interview of the Respondent. The Respondent admitted that "on occasion" he had signed clients' signatures on clients' account documentation.

On or about November 7, 2003, the Association received a National Registration Database notification of Termination of Employment in respect of the Respondent from Scotia Capital, indicating specifically that the Respondent had been terminated for "cause".

During a March 25, 2004 interview with Association Staff the Respondent admitted to 76 separate acts of signing clients' signatures on account documentation including, but not limited to, Account Application Forms, Pre-authorized Contributions and Systematic Withdrawal Plan Forms, and Transfer Authorization Forms. The Respondent further acknowledged that the clients had not provided him with their specific consent to endorse their signatures to the documents, as he did.

A number of mitigating factors were noted in this matter, including:

- No evidence of client losses;
- No direct benefit to Respondent;
- Respondent felt "overwhelmed" by paperwork and lacked administrative support;
- Respondent's cooperation with the Association's investigation; and
- Respondent had no prior disciplinary history.

The decision of the Alberta District Hearing Panel, accepting the Settlement Agreement, is dated November 4, 2004. The Reasons for Decision of the Hearing Panel was received on December 10, 2004.

For further details please refer to the Settlement Agreement and Decision and Reasons also posted to the IDA website.

Kenneth A. Nason
Association Secretary