



# bulletin



**BULLETIN NO. 2467, APRIL 29, 1998**

## **Disciplinary Action**

On April 23, 1998, a Settlement Agreement entered into between Mr. Richard Hodge and the staff of the Investment Dealers Association of Canada was accepted by the Ontario District Council in resolution of disciplinary proceedings.

Mr. Hodge is currently employed as a registered representative by Credifinance Securities Limited in Toronto, Ontario. At the material time, Mr. Hodge was employed as a registered representative by Jones, Gable & Company Limited in Toronto, Ontario.

Pursuant to the Settlement Agreement, Mr. Hodge has agreed to the imposition of disciplinary penalties for contravention of By-law 20.10(a)(3) and Regulation 1300.4. The penalties are as follows:

1. A fine in the amount of \$ 10,000; and
2. the imposition of a condition upon his continued approval as a registered representative that he successfully re-write the Conduct and Practices Handbook examination.

In addition, Mr. Hodge is required to pay the Association's costs of the investigation of this matter in the amount of \$1,000.00.

On or about May 30, 1994, Mr. Hodge effected the purchase of 51,000 shares of Nordic Lite in the account of two clients, resulting in a total debit of approximately \$22,000.00. Mr. Hodge carried out this trade without the knowledge or authorization of the clients and without the account being designated as discretionary which constituted a violation of Regulation 1300.4.

Upon learning of the transaction by way of the receipt of a trade confirmation in or around early June, 1994, one of the clients complained to Mr. Hodge. In an attempt to settle the complaint without the knowledge of his employer, Mr. Hodge gave the clients \$6,500.00 of his own personal funds on or about July 28, 1994. This conduct constituted business conduct or a practice that is unbecoming a registered representative or detrimental to the public interest, contrary to By-law 20.10(a)(3).

Lyn M. Gilchrist  
*Association Secretary*

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