

Re Thai

IN THE MATTER OF:

**The Rules of the Investment Industry Regulatory Organization of
Canada (IIROC)**

and

Thomas Thong Thai

2016 IIROC 06

Investment Industry Regulatory Organization of Canada
Hearing Panel (Alberta District)

Heard: December 15, 2015 in Calgary, Alberta
Oral Decision: December 15, 2015
Decision: February 8, 2016

Hearing Panel:

Ms. Shelley Miller, Q.C. (Chair), Mr. David Johnson and Mr. John Wells

Appearances:

Tayen Godfrey, Enforcement Counsel for IIROC

Thomas Thong Thai, Self-Represented, attendance by telephone

REASONS FOR DECISION

¶ 1 As a result of a Settlement Agreement entered into between IIROC and the Respondent, a hearing was conducted on December 15, 2015 in Calgary pursuant to the IIROC Dealer Member Rules. The Hearing Panel received a Settlement Hearing Book submitted on behalf of counsel for IIROC and the Respondent containing the proposed Settlement Agreement, relevant IIROC rules, Disciplinary Sanction Guidelines and certain decisions of previous hearing panels.

¶ 2 The Hearing Panel also heard oral submissions from Enforcement Counsel and offered the Respondent the opportunity to respond to the same.

¶ 3 The proposed Settlement Agreement provided that the Respondent would pay a fine of \$65,000, be suspended from registration with IIROC in any capacity for a period of 18 months, successfully rewrite the Conduct and Practices Handbook examination before a return to the industry after the suspension, submit to a six month period of close supervision upon a return to the industry, and pay costs to IIROC of \$5000.

¶ 4 Following review of written and oral submissions of Enforcement Counsel and conducting its deliberations, the Hearing Panel decided it would approve and sign the Settlement Agreement with written reasons to follow. Its reasons are set out below, with a copy of the Settlement Agreement appended at the end of these reasons and incorporated hereto.

¶ 5 The contraventions alleged by IIROC and admitted by the Respondent Thomas Thong Thai (“Thai”) or (the “Respondent”) are set out in the Settlement Agreement as follows:

- a. Between March 2006 and February, 2012, Thai failed to use due diligence to learn and remain

- informed of the essential facts relative to clients DC and GC contrary to Dealer Member Rule 1300.1(a) (Investment Dealer Association by-law 1311.1(a) prior to June 1, 2008);
- b. Between March 2006 and February, 2012, Thai made unsuitable recommendations in the accounts of his client DC and GC, contrary to Dealer Member Rule 1300.1(q) (Investment Dealer Association by-law 1300.1(q) prior to June 1, 2008);
 - c. Between April 2006 and March 2012, Thai failed to use due diligence to learn and remain informed of the essential facts relative to clients WF and VF, contrary to Dealer Member Rule 1300.1(a) (Investment Dealer Association by-law 1300.1(a) prior to June 1, 2008);
 - d. Between April 2006 and March 2012, Thai made unsuitable recommendations in the accounts of his clients WF and VF, contrary to Dealer Member Rule 1300.1(q) (Investment Dealer Association by-law 1300.1(q) prior to June 1, 2008);
 - e. Between March 2006 and January 2011, Thai failed to use due diligence to learn and remain informed of the essential facts relative to client RS, contrary to Dealer Member Rule 1300.1(a) (Investment Dealer Association by-law 1300.1(a) prior to June 1, 2008);
 - f. Between March 2006 and January 2011, Thai made unsuitable recommendations in the accounts of his client relative to client RS, contrary to Dealer Member Rule 1300.1(q) (Investment Dealer Association by-law) 1300.1(q) prior to June 1, 2008);
 - g. Between March 2006 and March 2012, Thai failed to use due diligence to learn and remain informed of the essential facts relative to every order or account accepted, contrary to Dealer Member Rule 1300.1(a) (Investment Dealer Association by-law 1300.1(a) prior to June 1, 2008): and
 - h. Between March 2006 and March 2012, Thai made discretionary trades in the accounts of his clients GC, DC, WF, VF, and RS contrary to Dealer Member Rule 1300.4 (Investment Dealer Association by-law 1300.4 prior to June I, 2008).

FACTS

- ¶ 6 The facts described in the Settlement Agreement are briefly summarized below.
- ¶ 7 Thai is not currently working in a Registered capacity with any IIROC firm.
- ¶ 8 Thai was a Registered Representative with Canaccord Genuity Corp. (“Canaccord”) since in or about March and April 2006 and at the time of the violations.
- ¶ 9 Thai held accounts of certain of his clients at his previous dealer that, in or about March and April 2006, were then transferred to Canaccord.

Failure to Know Mr. and Mrs. C.

- ¶ 10 One married couple, DC and GC, (“Mr. & Mrs. C”) were aged 65 and 58, respectively when they opened accounts with Thai in March 2006. Mr. C had recently sold his business, was working part-time, managed the finances for the family and at the material time, Mr. & Mrs. C were assisting a daughter in University.
- ¶ 11 Despite having been involved in operating a successful company and having a high net worth, Mr. C did not understand the features of, and risks inherent in, leveraged exchange traded funds, (“LETFS”) but instead relied on Thai’s advice with respect to his investments.
- ¶ 12 Thai incorrectly thought that Mr. & Mrs. C had other accounts elsewhere and that he was handling only the high-risk portion of their assets. In fact, the accounts Thai opened contained all the liquid assets of Mr. &

Mrs. C.

¶ 13 The account documents of Mr. & Mrs. C indicated risk tolerances and objectives that were too aggressive, given their personal and financial circumstances.

Unsuitable Recommendations for Mr. & Mrs. C

¶ 14 The average value of the accounts of Mr. & Mrs. C was \$1,019,204.00. Of this sum, \$320,000 was held in speculative and high risk investments, representing approximately 29.6% of the average value in their accounts.

¶ 15 Thai recommended the purchase of \$680,198.00 worth of LETFs for the accounts of Mr. & Mrs. C, which investments were held for periods ranging from 7 days to 3.5 years, generating losses of approximately \$145,134.00.

Losses

¶ 16 The accounts of Mr. & Mrs. C suffered losses of about \$848,932.00, which represented 49% of their initial investments. During this same time period, the S&P/TSX Composite Total Return Index rose 21%.

¶ 17 As a result of Thai's actions, Mr. & Mrs. C received approximately \$650,000.00 in compensation from Canaccord.

Failure to Know Mr. and Mrs. F

¶ 18 Another married couple, WF and VF, ("Mr. & Mrs. F") opened certain accounts with Thai between 2006 and 2010.

¶ 19 Mr. & Mrs. F were aged 63 and 55, respectively and were retired when they first opened accounts with Thai in April 2006.

¶ 20 Similar to Mr. C, despite having been involved in operating a successful company and having a high net worth, Mr. F did not understand the features of, and risks inherent in LETFs but instead relied on Thai's advice with respect to his investments.

¶ 21 Also similar to Mr. & Mrs. C, Thai incorrectly thought that Mr. & Mrs. F had other accounts elsewhere and that he was handling only the high risk portion of their assets, whereas in fact the accounts Thai opened contained all the liquid assets of Mr. & Mrs. F.

¶ 22 The account documents of Mr. & Mrs. F indicated risk tolerances and objectives that were too aggressive, given their personal and financial circumstances.

Unsuitable Recommendations for Mr. & Mrs. F

¶ 23 During the relevant period, the average value of the accounts of Mr. & Mrs. F was \$1,034,298.00. The short term trading and speculative holdings accounted for \$430,140 of their investments, representing approximately 39% of the average account value.

¶ 24 Thai recommended purchases of \$327,041.00 worth of LETFs for the accounts of Mr. & Mrs. F. These investments were held for periods ranging from .84 years to 1.61 years and generated losses of \$315,734.00.

Losses

¶ 25 The accounts of Mr. & Mrs. F suffered losses of approximately \$1,635,370.00, representing 75% their initial investments. During this same time period, the S&P/TSX Composite Total Return Index rose 19%.

Failure to Know RS

¶ 26 RS opened an RRSP account with Thai in March 2006. At the time, RS was 59 years of age and semi-retired. He fully retired in 2011 and spent extended periods of time travelling outside the country.

¶ 27 The account documents of RS indicated risk tolerances and objectives that were too aggressive, given his personal and financial circumstances.

Unsuitable Recommendations for RS

¶ 28 The accounts of RS were out of balance 83% of the time as the holdings in high risk speculative investments ranged from 35% to 64%.

¶ 29 In addition, the account of RS was highly concentrated in issuers operating in the oil and gas, mining and precious metals sectors, which ranged from 41% to 71% of the account's holdings.

¶ 30 The value of the account was \$188,669.00. The average holding in short term trading and speculative investments was approximately \$85,000 representing 45% of the average account value.

Losses

¶ 31 The RRSP account of RS suffered losses of \$261,792.00, representing 67% of his initial investment. During this same time the S&P/TSX Composite Total Return increased by 28.2%.

Failure to Know the Product

¶ 32 Thai failed to exercise due diligence to ensure that he had sufficient knowledge of the features and risks inherent in LETFs, but recommended the same for the accounts of Mr. & Mrs. C and Mr. & Mrs. F (the "Clients").

¶ 33 LETFs can be high risk investments normally held for short periods such as only one trading session. However, they were held in the accounts of the Clients for up to several years, which increased the exposure to risk of losses in their accounts.

Discretionary Trading

¶ 34 None of the Clients' accounts were designated or approved by Canaccord as discretionary accounts. As such, the accounts were not being supervised as discretionary accounts.

¶ 35 While the Clients were aware that Thai was conducting trades in their accounts, certain of the approximately 1,388 trades conducted during the specified time period took place without Thai advising the Clients as to at least one of the following:

- a. which security would be purchased;
- b. the quantity of the security to be purchased;
- c. the price at which the security was to be purchased; or
- d. the timing of the purchase.

¶ 36 At no time did Thai meet the proficiency requirements necessary to act as a Portfolio Manager.

Commissions

¶ 37 During the specified period Thai earned the following commissions:

- a. approximately \$34,906.00 in relation to the accounts of Mr. & Mrs. C;
- b. approximately \$58,207.00 in relation to the accounts of Mr. & Mrs. F; and
- c. approximately \$311.00 in relation to the account of RS.

DECISION

¶ 38 The issue for the Hearing Panel was whether to accept or reject the proposed settlement. Enforcement Counsel provided a copy of the decision *Re Milewski*, [1999] I.D.A.C.D. No. 17, which contains the following statement:

“A District Council considering a Settlement Agreement will tend not to alter a penalty that it considers to be within a reasonable range, taking into account the settlement process and the fact that the parties have agreed. It will not reject a settlement unless it views the penalty as clearly falling outside a reasonable range of appropriateness. Put another way, the District Council will reflect the public interest benefits of the settlement process in its consideration of specific settlement.”

¶ 39 The Hearing Panel was also provided with cases cited by Enforcement Counsel including *Re Jones*, 2015 IIROC 5, *Re Axford*, 2013 IIROC 36, *Re Carinci*, 2013 IIROC 49, and *Re Gareau*, 2011 IIROC 72. While the Hearing Panel is of the view that it is useful to look at the penalties imposed in other cases, and the proposed penalties are within the range of penalties imposed previously for similar contraventions, it is the duty of the Hearing Panel to consider the factors appropriate to the instant case and decide what is an appropriate penalty for this Respondent.

¶ 40 Accordingly, the Hearing Panel also took the following additional factors into consideration:

- (a) the “Know Your Client” rule cited in the Dealer Member Disciplinary Sanction Guidelines requires that all registrants make diligent and business-like efforts to learn and record the essential financial and personal circumstances and the investment objectives of each client,
- (b) the Hearing Panel accepts that knowing your client is a fundamental ongoing obligation that a registrant is required to meet to continue to act in the best interest of his clients,
- (c) The Respondent is supporting three dependents, is not currently employed, has limited assets and received limited gross income for 2014,
- (d) aggravating factors:
 - (i) the amounts of losses resulting to the clients were significant,
 - (ii) the omission of due diligence occurred over significant intervals of time,
- (e) the mitigating factors;
 - (i) the Respondent had no prior disciplinary history,
 - (ii) the Respondent cooperated in the investigation,
 - (iii) the Respondent cooperated in the execution of the Settlement Agreement.

¶ 41 When a Respondent co-operates with the investigation and avoids the necessity of a protracted hearing process and attends at the hearing date with a Settlement Agreement, IIROC is relieved of the burden of proving the allegations.

¶ 42 Moreover, this Hearing Panel notes that parties to such proceedings are incented to negotiate compromise agreements by the expectation that their efforts will be respected.

¶ 43 This Hearing Panel accepts that it must not substitute its own discretion for that exercised by the parties in reaching their Settlement Agreement, nor reject a settlement unless it views the penalty as clearly falling outside a reasonable range of appropriateness.

¶ 44 Having regard to all the foregoing, this Hearing Panel concludes the proposed sanctions are appropriate to the conduct of the Respondent, taking into account also the goal of promoting general adherence to industry rules and standards, the goals of the disciplinary process whose prime function is to protect the public, to maintain the reputation of the securities industry, as well as all of the personal circumstances of the Respondent as represented by the parties.

¶ 45 Accordingly, the Hearing Panel accepts the terms of the Settlement Agreement and gives effect to it as of December 15, 2015.

DATED as of the 8th day of February, 2016.

Shelley L. Miller,

Chair

David Johnson

John Wells

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. IIROC Enforcement Staff (“Staff”) and the Respondent, Thomas Thong Thai, consent and agree to the settlement of this matter by way of this agreement (the “Settlement Agreement”).
2. The Enforcement Department of IIROC has conducted an investigation (“the Investigation”) in the conduct of Thomas Thong Thai.
3. The Investigation discloses matters for which the Respondent may be disciplined by a hearing panel appointed pursuant to IIROC Transitional Rule No.1, Schedule C.1, Part C (the “Hearing Panel”).

II. JOINT SETTLEMENT RECOMMENDATION

4. Staff and the Respondent jointly recommend that the Hearing Panel accept this Settlement Agreement.
5. The Respondent admits to the following contraventions of IIROC Dealer Member Rules, Guidelines, Regulations or Policies:
 - a) Between March 2006 and February 2012, Thomas Thai failed to use due diligence to learn and remain informed of the essential facts relative to clients GC and DC, contrary to Dealer Member Rule 1300.1(a) (Investment Dealer Association by-law 1300.1(a) prior to June 1, 2008);
 - b) Between March 2006 and February 2012, Thomas Thai made unsuitable recommendations in the accounts of his client GC and DC, contrary to Dealer Member Rule 1300.1(q) (Investment Dealer Association by-law 1300.1(q) prior to June 1, 2008);
 - c) Between April 2006 and March 2012, Thomas Thai failed to use due diligence to learn and remain informed of the essential facts relative to clients WF and VF, contrary to Dealer Member Rule 1300.1(a) (Investment Dealer Association by-law 1300.1(a) prior to June 1, 2008);
 - d) Between April 2006 and March 2012, Thomas Thai made unsuitable recommendations in the accounts of his clients WF and VF, contrary to Dealer Member Rule 1300.1(q) (Investment Dealer Association by-law 1300.1(q) prior to June 1, 2008);
 - e) Between March 2006 and January 2011, Thomas Thai failed to use due diligence to learn and remain informed of the essential facts relative to client RS, contrary to Dealer Member Rule 1300.1(a) (Investment Dealer Association by-law 1300.1(a) prior to June 1, 2008);
 - f) Between March 2006 and January 2011, Thomas Thai made unsuitable recommendations in the accounts of his client RS, contrary to Dealer Member Rule 1300.1(q) (Investment Dealer Association by-law 1300.1(q) prior to June 1, 2008);
 - g) Between March 2006 and March 2012, Thomas Thai failed to use due diligence to learn and remain informed of the essential facts relative to every order or account accepted, contrary to

Dealer Member Rule 1300.1(a) (Investment Dealer Association by-law 1300.1(a) prior to June 1, 2008); and

h) Between March 2006 and March 2012, Thomas Thai made discretionary trades in the accounts of his clients GC, DC, WF, VF, and RS, contrary to Dealer Member Rule 1300.4 (Investment Dealer Association by-law 1300.4 prior to June 1, 2008).

6. Staff and the Respondent agree to the following terms of settlement:

- a) a fine in the sum of \$65,000.00;
- b) a suspension for a period of 18 months;
- c) successfully rewrite the Conduct and Practices Handbook examination before a return to the industry after the suspension; and
- d) a six month period of close supervision upon a return to the industry.

7. The Respondent agrees to pay costs to IIROC in the sum of \$5,000.00.

III. STATEMENT OF FACTS

(i) Acknowledgment

8. Staff and the Respondent agree with the facts set out in this Section III and acknowledge that the terms of the settlement contained in this Settlement Agreement are based upon those specific facts.

(ii) Factual Background

9. The Respondent recommended trades that were inconsistent with the personal and financial circumstances of five of his clients. This included recommendations to purchase Leveraged Exchange Traded Funds (“LETFs”), the features and risks of which the Respondent did not understand. Many of the trades were conducted on a discretionary basis.

Registration History

10. The Respondent is not currently working in a Registered capacity with any IIROC firm. His registration history is set out below:

From	To	Firm	Registration Category
September 2012	Current/Active	Wolverton Securities Ltd.	Registered Representative (Retail, Securities, Options)
July 2012	September 2012	Unemployed	
June 2012	August 2012	MGI Securities	Registered Representative (Retail, Securities, Options)
March 2006	June 2012	Canaccord Genuity Corp.	Registered Representative (Retail, Securities, Options)
December 2001	March 2006	CIBC World Markets Inc.	Registered Representative (Retail, Options)

The Respondent's Personal Circumstances

11. The above penalties take into consideration the Respondents personal financial situation which includes the following:
 - a) The Respondent is supporting three dependents and is not currently employed;
 - b) The Respondent has limited assets; and
 - c) The Respondent received limited gross income for 2014.

Background

12. This matter stems from the Respondent's handling of the accounts of the following clients, during the specified review periods:
 - a. GC and his spouse DC ("Mr. & Mrs. C"), between March 2006 and February of 2012;
 - b. WF and his spouse VF ("Mr. & Mrs. F"), between April of 2006 and March of 2012; and
 - c. RS, between March 2006 and January 2011.
13. At the time, the Respondent was a Registered Representative with Canaccord Genuity Corp.

Mr. & Mrs. C

Failure to Know Mr. & Mrs. C

14. Mr. & Mrs. C opened a number of accounts with the Respondent in March of 2006. At the time they were 65 (DC) and 58 (GC) years old. Mr. C had recently sold his business and was working part time. During the material time Mr. & Mrs. C were financially assisting a daughter who was in University. Mr. C managed the finances for the family.
15. While Mr. C was involved in the running of a successful company, he had little knowledge of investments and relied on the Respondent's advice. Mr. C did not understand the features of and risks inherent in LETFs.
16. The Respondent incorrectly thought that Mr. & Mrs. C had accounts elsewhere and that he was only handling the high risk portion of their assets. In fact, the accounts contained all of Mr. & Mrs. C's liquid assets.
17. Mr. & Mrs. C's account documents indicated risk tolerances and objectives that were too aggressive given their personal and financial circumstances.

Unsuitable Recommendations for Mr. & Mrs.

18. The average value of Mr. & Mrs. C's accounts was \$1,019,204.00. The high risk and speculative investments in Mr. & Mrs. C's accounted for \$320,000.00 of their investments, representing approximately 29.6% of the average value in their accounts.
19. The Respondent recommended the purchase of \$680,198.00 worth of LETFs for Mr. & Mrs. C's accounts. These investments were held for periods ranging from days 7 days to 3.5 years, generating losses of approximately \$145,134.00.

Mr. & Mrs. C's Losses

20. Mr. & Mrs. C's accounts suffered losses of approximately \$848,932.00, representing 49% of their initial investments. During this same time period the S&P/TSX Composite Total Return Index rose 21%.
21. As a result of the Respondent's actions, Mr. & Mrs. C received approximately \$650,000.00 from Canaccord.

Mr. & Mrs. F

Failure to Know Mr. & Mrs. F

22. Mr. & Mrs. F opened a number of accounts with the Respondent between 2006 and 2010. Mr. and Mrs. F were 63 (WF) and 55 (VF) years old, and retired, when they opened their first accounts in April of 2006.
23. While Mr. F was involved in the running of a successful company, he had little knowledge of investments and relied on the Respondent's advice. Mr. F did not understand the features of and risks inherent in LETFs.
24. The Respondent incorrectly thought Mr. & Mrs. F had accounts elsewhere, and that he was only handling the high risk portion of their assets. In fact, the accounts contained all of Mr. & Mrs. F's liquid assets.
25. Mr. & Mrs. F's account documents indicated risk tolerances and objectives that were too aggressive given their personal and financial circumstances.

Unsuitable Recommendations for Mr. & Mrs. F

26. During the relevant period the average value of Mr. & Mrs. F's accounts was \$1,034,298.00. The Short Term Trading and Speculative holdings accounted for \$430,140 of their investments, representing approximately 39% of the average account value.
27. The Respondent recommended purchases of \$327,041.00 worth of Leveraged ETFs for Mr. & Mrs. F's accounts. These investments were held for periods ranging from .84 years to 1.61 years, and generated losses of \$315,734.00.

Mr. & Mrs. F's Losses

28. Mr. & Mrs. F's accounts suffered losses of approximately \$1,635,370.00, representing 75% of their initial investments. During this same time period the S&P/TSX Composite Total Return Index rose 19%.

RS

Failure to Know RS

29. RS opened an RRSP account with the Respondent in March of 2006. At the time he was 59 years old and semi-retired. He fully retired in 2011 and spent extended periods of time travelling outside of the country.
30. RS's account documents indicated risk tolerances and objectives that were too aggressive given his personal and financial circumstances.

Unsuitable Recommendations for RS

31. RS's accounts were out of balance 83% of the time as the holdings in high risk speculative investments ranged from 35% to 64%.
32. In addition, RS was highly concentrated in issuers operating in the oil & gas, mining, and precious metal sectors, which ranged from 41% to 71% of the account's holdings.
33. The average value of RS's account was \$188,669.00. The average holding in short term trading and speculative investments was approximately \$85,000.00, representing 45% of the average account value.

RS's Losses

34. RS's RRSP account suffered losses of \$261,792.00, representing 67% of his initial investment. During

this same time the S&P/TSX Composite Total Return Index increased 28.2%.

Failure to Know Product

35. The Respondent failed to exercise due diligence to ensure that he had sufficient knowledge of the features of and risks inherent in LETFs. Despite this, the Respondent recommended LETFs for the accounts of Mr. and Mrs. C, and Mr. and Mrs. F.
36. LETFs can be high risk investments which are normally to be held for short periods, normally for only one trading session. However, these clients held LETFs in their accounts for up to several years, increasing the exposure to the risk of losses in their accounts.

Discretionary Trading

37. None of the clients' accounts discussed above were designated or approved by Canaccord as discretionary accounts. As such, the accounts were not being supervised as discretionary accounts.
38. While the clients were aware that the Respondent was conducting trades in their accounts, the majority of the trades took place without the Respondent advising his clients of at least one of the following:
 - a. which security would be purchased;
 - b. the quantity of the security to be purchased;
 - c. the price of the security to be purchased; or
 - d. the timing of the purchase.
39. At no time did the Respondent meet the proficiency requirements necessary to act as a Portfolio Manager.
40. In total the Respondent conducted approximately 1,388 trades during the specified periods for the accounts of these five clients:
 - a. approximately 457 trades in relation to Mr. and Mrs. C's accounts;
 - b. approximately 873 trades in relation Mr. and Mrs. F's accounts; and
 - c. approximately 58 trades in relation to RS's account.

Commissions

41. During the specified period the Respondent earned the following commissions:
 - a. approximately \$34,906.00 in relation to Mr. and Mrs. C's accounts;
 - b. approximately \$58,207.00 in relation to Mr. and Mrs. F's accounts; and
 - c. approximately \$311.00 in relation to RS's account.

IV. TERMS OF SETTLEMENT

42. This settlement is agreed upon in accordance with IIROC Dealer Member Rules 20.35 to 20.40, inclusive and Rule 15 of the Dealer Member Rules of Practice and Procedure.
43. The Settlement Agreement is subject to acceptance by the Hearing Panel.
44. The Settlement Agreement shall become effective and binding upon the Respondent and Staff as of the date of its acceptance by the Hearing Panel.
45. The Settlement Agreement will be presented to the Hearing Panel at a hearing ("the Settlement Hearing") for approval. Following the conclusion of the Settlement Hearing, the Hearing Panel may either accept or reject the Settlement Agreement.

46. If the Hearing Panel accepts the Settlement Agreement, the Respondent waives his/her/its right under IIROC rules and any applicable legislation to a disciplinary hearing, review or appeal.
47. If the Hearing Panel rejects the Settlement Agreement, Staff and the Respondent may enter into another settlement agreement; or Staff may proceed to a disciplinary hearing in relation to the matters disclosed in the Investigation.
48. The Settlement Agreement will become available to the public upon its acceptance by the Hearing Panel.
49. Staff and the Respondent agree that if the Hearing Panel accepts the Settlement Agreement, they, or anyone on their behalf, will not make any public statements inconsistent with the Settlement Agreement.
50. Unless otherwise stated, any monetary penalties and costs imposed upon the Respondent are payable immediately upon the effective date of the Settlement Agreement.
51. Unless otherwise stated, any suspensions, bars, expulsions, restrictions or other terms of the Settlement Agreement shall commence on the effective date of the Settlement Agreement.

AGREED TO by the Respondent at the City of Calgary in the Province of Alberta, this 17th day of November, 2015.

"Witness" _____

Witness

"Thomas Thai" _____

Thomas Thai

AGREED TO by Staff at the City of Calgary in the Province of Alberta, this 26 day of November, 2015.

"Carly Barnes" _____

Witness

"Tayen Godfrey" _____

Tayen Godfrey

Enforcement Counsel on behalf of Staff of the
Investment Industry Regulatory Organization of
Canada

ACCEPTED at the City of Calgary in the Province of Alberta, this 15 day of December, 2015, by the following Hearing Panel:

Per: **"Shelley Miller"** _____

Panel Chair

Per: **"John Wells"** _____

Panel Member

Per: **"David Johnson"** _____

Panel Member

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