



**CIRCULAR 068-23**

May 11, 2023

**DISCIPLINARY DECISION — OFFER OF SETTLEMENT  
LAURENTIAN BANK SECURITIES INC.**

On or about March 8, 2021, Bourse de Montréal Inc. (the “Bourse”) filed a complaint against Laurentian Bank Securities Inc. (“**LBS**”), a formerly approved participant of the Bourse.

This complaint stated the following:

- During the period from January 1, 2018 to April 2, 2019, LBS contravened article 3011 B) (article 3.100(b) from January 1, 2019) - “Surveillance and Compliance” as LBS failed to establish, maintain and ensure compliance with risk management and supervisory controls, policies and procedures that are reasonably designed to manage the regulatory risks associated with marketplace access for its options trading activities, more specifically as LBS did not regularly access and document, at least annually, the adequacy and effectiveness of such risk management and supervisory controls, policies and procedures and LBS did not provide, as part of its post-trade monitoring of all orders of options transmitted to the Bourse, adequate evidence of documented procedures of its review process for detecting various potential manipulative trading activities, including the parameters used to conduct such reviews, of explanations on how the documentation used to conduct the reviews could effectively detect potential manipulative trading activities and of documented results of its reviews.

Following a hearing held on October 18, 2022, the Disciplinary Committee of the Bourse accepted the offer of settlement negotiated between the staff of the Regulatory Division of the Bourse and LBS, which includes the imposition of a fine totalling \$50,000.

To access the full text version of the Disciplinary Committee’s decision, please refer to the following link:  
[https://www.m-x.ca/f\\_publications\\_en/disciplinary\\_decision\\_laurentian\\_04252023\\_en.pdf](https://www.m-x.ca/f_publications_en/disciplinary_decision_laurentian_04252023_en.pdf)

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