



CIRCULAR 099-18

June 13, 2018

**DISCIPLINARY DECISION — OFFER OF SETTLEMENT
SCOTIA CAPITAL INC.**

On June 29, 2017, following an investigation conducted by its Regulatory Division, Bourse de Montréal Inc. (hereinafter referred as the “Bourse”) filed a complaint against Scotia Capital Inc., an approved participant of the Bourse.

This complaint stated that Scotia Capital Inc. contravened to subparagraph 7) of article 14102 of the Rules of the Bourse as Scotia Capital Inc. failed to report immediately to the Vice-President of the Regulatory Division of the Bourse that its account exceeded the position limit for the first contract month on the Two-Year Government of Canada Bond Futures. The complaint also stated that Scotia Capital Inc. contravened to article 3011 of the Rules of the Bourse when Scotia Capital Inc. failed to establish and maintain a system to supervise the activities of each employee that is reasonably designed to achieve compliance with the Rules and Policies of the Bourse. More specifically, Scotia Capital Inc. did not have any written policy or procedure pertaining to the monitoring of first contract month position limit.

Following a hearing held on April 27, 2018, the Disciplinary Committee of the Bourse has approved the offer of settlement negotiated between the staff of the Regulatory Division of the Bourse and Scotia Capital Inc., which included the imposition of fines totaling \$23,500, as well as the payment of an additional amount of \$6,500 as reimbursement of the related costs.

To access the full text version of the Committee’s decision, please refer to the following link:

https://www.m-x.ca/f_circulaires_en/decision_scotia_capital_20180523_en.pdf

For further information, please contact Ms. Claude Baril, Director and Legal Counsel, Regulatory Division, at 514.871.3595 or by e-mail at claudе.baril@tmx.com

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