

**CIRCULAR 127-20**  
July 15, 2020

**DISCIPLINARY DECISION — OFFER OF SETTLEMENT  
RBC DOMINION SECURITIES INC.**

On February 23, 2018, following an investigation conducted by its Regulatory Division, Bourse de Montréal Inc. (the “Bourse”) filed a complaint against RBC Dominion Securities Inc. (“RBC”), an approved participant of the Bourse.

This complaint stated the following:

- During the period from September 7, 2014 to May 2, 2016, RBC contravened subparagraph 5) of article 6377 - "Keeping Records of Orders" (now 6.118) of the Rules of the Bourse (the “Rules”) as RBC failed to keep recorded telephone conversations for two (2) approved persons in relation to the trading of derivatives listed on the Bourse; and
- During the period from September 7, 2014 to April 24, 2017, RBC contravened article 3011 - “Surveillance and Compliance” (now 3.100) of the Rules as RBC did not 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, notably RBC did not reasonably supervise and/or monitor voice recording requirements related to trading in derivatives instruments listed on the Bourse in accordance with article 6377 (now 6.118) of the Rules.

Following a hearing held on April 16, 2020, the Disciplinary Committee of the Bourse has approved the offer of settlement negotiated between the staff of the Regulatory Division of the Bourse and RBC, which includes the imposition of fines totaling \$70,000, as well as the payment of an additional amount of \$7,500 for the related costs.

To access the full text version of the Disciplinary Committee's decision, please refer to the following link: [https://www.m-x.ca/f\\_circulaires\\_en/decision\\_RBCDS\\_20200630\\_en.pdf](https://www.m-x.ca/f_circulaires_en/decision_RBCDS_20200630_en.pdf).

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