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CIRCULAR
October 17, 2006

**DISCIPLINARY DECISION
BNP PARIBAS (CANADA) SECURITIES INC.**

On September 21, 2006, following an investigation conducted by its Regulatory Division, Bourse de Montréal Inc. (the Bourse) lodged a complaint against BNP Paribas (Canada) Securities Inc. (BNP), an approved participant of the Bourse.

By way of an offer of settlement approved by the Special Committee — Regulatory Division, BNP has agreed to pay a fine of \$5,000 and to reimburse the costs of the investigation in the amount of \$2,500.

BNP recognized that it had contravened article 3401 of the Rules of the Bourse. This article stipulates, among other things, that a corporate approved participant must not, without the prior approval of the Bourse, change its name or otherwise modify its corporate structure.

On or about February 20, 2006, BNP transmitted to the Autorité des marchés financiers (AMF) and to the Investment Dealers Association of Canada (IDA) a request pertaining to the prior approval of a corporate reorganization and a change of its name. BNP informed the Bourse of this corporate reorganization and change of name only near the end of June 2006, after they had been approved by the AMF and the IDA.

BNP has admitted the facts mentioned above and did not have any prior disciplinary record with the Bourse.

For further information, please contact Mr. Francis Larin, Director and Legal Counsel, Regulatory Division, at 514 871-3516 or by e-mail at flarin@m-x.ca.

Jacques Tanguay
Vice-President, Regulatory Division

Circular no.: 172-2006