



<input type="checkbox"/>	Trading – Interest Rate Derivatives	<input type="checkbox"/>	Back-office - Options
<input type="checkbox"/>	Trading – Equity and Index Derivatives	<input type="checkbox"/>	Technology
<input type="checkbox"/>	Back-office – Futures	<input checked="" type="checkbox"/>	Regulation

CIRCULAR
March 2, 2007

**DISCIPLINARY DECISION
CANACCORD CAPITAL CORPORATION**

On November 28, 2006, following an investigation conducted by its Regulatory Division, Bourse de Montréal Inc. (the Bourse) filed a complaint against Canaccord Capital Corporation (Canaccord), an approved participant of the Bourse.

By way of an offer of settlement approved by the Special Committee — Regulatory Division, Canaccord has agreed to pay a fine of \$35,000 and to reimburse the costs of the investigation in the amount of \$8,000.

Canaccord recognized that it contravened article 6004 of the Rules of the Bourse.

Article 6004 stipulates that, subject to some exceptions, all purchases and sales of products listed on the Bourse made by approved participants, permit holders and affiliated corporations must take place on the Bourse during a trading session thereof.

On or about September 25, 2000, a former employee of Canaccord and approved person of the Bourse proceeded off exchange to a transaction involving 500,000 Jitec Inc. shares, for a total value of \$2,600,000. As the shares of Jitec Inc. were then a listed security at the Bourse, this transaction should have taken place on the Bourse during a trading session as required by the Rules of the Bourse.

Canaccord 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

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