

«PRESSE RELEASE»

« RELEASE »

December 4, 2006

Canaccord Capital Corporation and two co-Branch Managers at Canaccord has been imposed altogether a total fine of **\$ 750,000** for having :

- failed to have proper systems, procedures and personnel in place to ensure that effective supervision of the activities at one of its branch was achieved;
- failed to properly supervise the activities of one of its former Registered Representative. (3589)

October 30, 2006

An Approved Person of **Scotia Capital Inc.** (formerly ScotiaMcLeod Inc.) has been imposed a **\$ 60,000** fine for that he :

- purchased real estate with a client without the knowledge, consent or authorization of his Member firm;
- loaned funds to a client without the knowledge, consent or authorization of his Member firm;
- commingled his personal funds with those of a client and together purchased not pro-eligible securities in his client's investment account;
- loaned funds to a client without the knowledge, consent or authorization of his Member firm;
- sold real estate to a client without the knowledge, consent or authorization of his Member firm. (3579)

October 25, 2006

An Approved Person of **BMO Nesbitt Burns Inc.** and **Canaccord Capital Corporation** has been imposed a **\$ 20,000** fine for :

- having effected discretionary transactions in two joint accounts without the accounts having been approved and designated as discretionary accounts by his Member firm;
- having attempted to personally settle a client complaint without the knowledge or consent of his Member firm. (3578)

July 24, 2006

A Manager of **Scotia Capital Inc.** has been imposed a **\$ 30,000** fine for having :

- failed to use due diligence in his supervisory capacity to learn the essential facts relative to every client and every account accepted when approving new options accounts for seven clients, as well as changes in their investment objectives and risk tolerances;
- failed to exercise adequate supervision of transactions effected by a representative under his supervision in the options accounts of eight clients without ensuring the appropriateness of the trades, and had authorized modifications to the options strategies used in the accounts;
- failed to question or verify that the representative had met the firm's requirements for prior authorizations to execute trade strategies, as applicable, prior to the registration of large numbers of contracts. (3565)

July 24, 2006

A Registered Representative of **Scotia Capital Inc.** has been imposed a **\$ 35,000** fine for his misconduct. He admitted having :

- failed to use due diligence to learn and remain informed of the essential facts relative to every client and every account accepted, when opening accounts for seven clients;
- recommended and implemented speculative spreading strategies which were unsuitable for clients;
- failed on two occasions to ensure that transactions that were made for six clients were really in the interest of the clients, causing each of them additional losses;
- effected discretionary trades in the accounts of seven clients;
- listed the same speculative investment goals and same risk tolerance for seven clients without regard for the true investor profile of each;
- effected unauthorized trades in the accounts of two clients;
- failed to obtain the prior approval of the designated officers, in accordance with the Member firm's compliance policies, before carrying out options trades involving more than 99 contracts in the accounts of two clients;
- on a numerous occasions, produced his own reports and submitted them to several clients to illustrate the results of the options strategies effected in their accounts without including the open positions, thus providing an incomplete representation of the transactions that had been made as to the results achieved by these strategies;
- failed to obtain the prior authorization of a designated officer before producing the unofficial reports for his clients. (3564)

July 4, 2006

An Approved Person of **Octagon Capital Corporation** has been condemned to pay a **\$ 300,000** fine for his misconduct in that :

- he accepted orders to trade from an individual he knew or should have known to have had a history of securities violations and/or association with organized crime;
- concealed from Octagon the fact that he was taking trading instructions from persons not authorized in writing and that the true identity of beneficial owners of accounts was different than as identified in account documentation;
- accepted trading instructions from persons who were not the owners of the accounts and were not authorized to give instructions. (3558)

May 25, 2006

MGI Securities Inc. and its President, CEO and Ultimate Designated Person have been each imposed a **\$ 250,000** and a **\$ 150,000** fine for their misconduct. Both have admitted that they failed to establish and maintain procedures and controls to effectively supervise trading by clients who were insiders of public issuers or were in control positions of public issuers. (3545)

May 11, 2006

An Approved Person of **RBC Dominion Securities Inc.** has been imposed a **\$ 25,000** fine for that he :

- failed to use due diligence to learn and remain informed of the essential facts relative to every customer;
- executed one trade in each of a client's two accounts without the knowledge and consent of the client. (3540)

May 8, 2006

An Approved Person of **TD Securities Inc.** has been imposed a **\$ 63,000** fine for his misconduct. He admitted that :

- he conducted his business consistent with the registration of a Portfolio Manager without being registered as such;
- he engaged in discretionary trading in the accounts of six clients;
- he attempted to correct a trading error in a client's account without first informing the Member firm;
- he failed to use due diligence to ensure that recommendations made for a client were appropriate and in keeping with their investment objectives. (3537)

April 18, 2006

Union Securities Ltd. has been imposed a **\$ 1,000,000** fine for :

- having failed to develop and implement compliance systems to the required standards of the IDA;
- having failed to develop and implement adequate compliance systems to ensure effective supervision of activity at the firm to the required standards of the IDA, resulting in the financial losses of many clients. (3531)

April 12, 2006

An Approved Person of **National Bank Financial Inc.** has been imposed a **\$ 22,500** fine for having :

- engaged, on four occasions, in conduct unbecoming, by participating in, facilitating and/or soliciting participation in distributions of three corporations to 52 clients. The transactions were conducted in contravention of the firm's policies ;
- engaged in personal financial dealings with two clients by participating, facilitating and/or soliciting trades in securities to the benefit of the clients without the consent of her firm and was in breach of the firm's policies. (3528)

March 2, 2006

An Approved Person employed by **CFG Canada Inc.** and **Benson-Quinn GMS Inc.** has been imposed a **\$ 30,000** fine for having :

- effected discretionary trades in a client account without the account having been approved and accepted in writing as a discretionary account by the designated person at CFG;
- personally covered and paid margin calls issued against a client without the knowledge, consent or authorization of CFG, and thereby engaged in business conduct or practice unbecoming a Registered Representative or detrimental to the public interest;
- promised to personally compensate a former client for losses incurred at CFG without the knowledge, consent or authorization of either Member firm, and thereby engaged in business conduct or practice unbecoming a Registered Representative or detrimental to the public interest. (3520)

February 27, 2006

A Registered Representative and Registered Options Representative of **Global Securities Corporation** has been condemned to pay a **\$ 50,000** fine for having :

- failed to use due diligence to ensure that the recommendations he made and the transactions he placed for the account of a client were appropriate for the client and in keeping with the client's investment objectives;
- effected discretionary transactions in the account of a client without the client's written authorization and without the account having been designated and approved by Global as a discretionary account. (3518)

February 6, 2006

An Approved Person of **CIBC World Markets Inc.** has been condemned to pay a **\$ 1,300,000** fine for :

- having fraudulently misappropriating over \$800,000 from two client investment accounts;
- having refused and/or failed to attend and give information in respect of an investigation being conducted by the IDA's Enforcement Department. (3513)

January 23, 2006

Approved Persons at **Rampart Securities Inc.** have been each condemned to pay \$ **325,000**, \$ **275,000** and \$ **25,000** in fine for their misconduct. They have engaged in business conduct unbecoming or detrimental to the public interest in that they participated in a scheme in which the shares of a certain company were purchased and sold at contrived prices for the purposes of unduly benefiting one Rampart client to the detriment of other clients at Rampart. (3504)

January 3, 2006

An Approved Person of **Assante Capital Management Ltd.** has been imposed a \$ **275,000** fine for having :

- misappropriated approximately \$124,000 from three accounts held in his mother's name for which he was the Approved Person at Assante;
- forged his mother's signature in order to execute the withdrawals;
- sent his mother false statements for two of the three accounts that included inflated values in the accounts;
- also created at least six false statements for a purely fictitious account in order to disguise the misappropriation. (3497)