

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice Decision 17-0153

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IN THE MATTER OF Scotia Capital Inc. – Settlement Accepted

July 19, 2017 (Toronto, Ontario) – On July 5, 2017, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement, with sanctions, between IIROC staff and Scotia Capital Inc.

Scotia Capital Inc. admitted that they failed to adequately supervise two Registered Representatives.

Specifically, Scotia Capital Inc. admitted to the following violation:

- (a) From January 2010 to October 2014, Scotia Capital Inc. failed to adequately supervise two Registered Representatives when they recommended securities transactions that were not suitable for their clients and were not in keeping with good business practice, contrary to IIROC Dealer Member Rules 38.1 and 2500.

Pursuant to the Settlement Agreement, Scotia Capital Inc. agreed to the following penalties:

- (a) a fine of \$200,000; and
- (b) the amounts disgorged from the Supervisor in the amount of \$100,000 will be donated by Scotia Capital Inc. to charity.

Scotia Capital Inc. also agreed to pay costs in the amount of \$20,000.



The Settlement Agreement is available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=28C92F681944415AAB2B52BA71246BB0&Language=en>

The Hearing Panel's decision will be made available at: www.iiroc.ca.

Documents related to ongoing IIROC enforcement proceedings – including Reasons and Decisions of Hearing Panels – are posted on the IIROC website as they become available. Click [here](#) to search and access all IIROC enforcement documents.

IIROC formally initiated the investigation into Scotia Capital Inc.'s conduct in December 2015.

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IIROC is the national self-regulatory organization which oversees all investment dealers and their trading activity in Canada's debt and equity markets. IIROC sets high quality regulatory and investment industry standards, protects investors and strengthens market integrity while supporting healthy Canadian capital markets. IIROC carries out its regulatory responsibilities through setting and enforcing rules regarding the proficiency, business and financial conduct of dealer firms and their registered employees and through setting and enforcing market integrity rules regarding trading activity on Canadian equity marketplaces.

IIROC investigates possible misconduct by its member firms and/or individual registrants. It can bring disciplinary proceedings which may result in penalties including fines, suspensions, permanent bars, expulsion from membership, or termination of rights and privileges for individuals and firms.

All information about disciplinary proceedings relating to current and former member firms is available in the [Enforcement](#) section of the IIROC website. Background information regarding the qualifications and disciplinary history, if any, of advisors currently employed by IIROC-regulated firms is available free of charge through the [IIROC AdvisorReport](#) service. Information on how to make investment dealer, advisor or marketplace-related complaints is available by calling 1 877 442-4322.