

## ADMINISTRATIVE PENALTY AGAINST SCOTIA CAPITAL INC.

**Montréal, July 25, 2008** – At the request of the *Autorité des marchés financiers* (AMF), the *Bureau de décision et de révision en valeurs mobilières* (BDRVM) issued a decision on July 8, 2008 and imposed an administrative penalty of \$5,500 on Scotia Capital Inc. for failure to comply with section 158 of the *Securities Act* (the "Act").

Under section 158, a dealer must furnish to the AMF, within 90 days after the end of its financial year, its financial statements, auditor's report, and any other information, in accordance with the requirements prescribed by regulation. The AMF accused Scotia Capital Inc. of failing to furnish Québec Revenue form CO-771.R.3-T, "Proportion of Business Carried On in Québec and Elsewhere," for the 2005 and 2006 financial years within the period prescribed by the Act.

Pursuant to section 273.1 of the Act, the BDRVM imposed two administrative penalties on Scotia Capital Inc. In accordance with the AMF's request, the BDRVM imposed a \$500 fine per month of non-compliance. In its decision, the BDRVM considered the following aggravating factors:

- The length of non-compliance (6 months for fiscal 2005 and 5 months for fiscal 2006);
- The difficulty in explaining the firm's non-compliance given its experience and reputation;
- The respondent's absence from the hearing.

In its decision, the tribunal stressed the importance of timely filing of financial information to ensure effective supervision of the industry.

The *Autorité des marchés financiers* (AMF) is the regulatory and oversight body for Québec's financial sector.

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