
September 13, 2022

Settlement Agreement Approved for Maritra Trading Services Inc.

Halifax – The Nova Scotia Securities Commission has approved a settlement agreement with Maritra Trading Services Inc. (“**Maritra**”). Maritra is a federally incorporated company with a registered head office in Halifax, Nova Scotia. Maritra is engaged in the business of proprietary day trading on Canadian securities markets and has approximately 66 proprietary traders, most of whom are located in China.

Between April 23, 2015, and March 30, 2022, certain traders at Maritra engaged in repeated instances of manipulative trading activities known as “spoofing” and “layering”. Despite being notified of instances of manipulative trading activities on repeated occasions, Maritra failed to adequately monitor trading activities on its accounts and did not ensure that an adequate compliance structure was put in place to prevent those trading activities from continuing to occur.

Maritra admitted to violations of securities laws and accepted responsibility for its conduct. Maritra had no prior violations of Nova Scotia securities laws and its conduct was not deliberate. Maritra has agreed to engage a qualified independent third-party regulatory consultant to design a new compliance structure to be implemented by Maritra, with a specific focus on identifying and preventing manipulative trading.

“Although market manipulation is one of the most serious violations under the Securities Act, this is not a case about a Respondent that deliberately set out to abuse the market or deceive investors” said Ibrahim Badawi, Enforcement Counsel for the Commission. “Rather, this is a case about inaction. In the circumstances, the Respondent should have taken greater steps to monitor and supervise its outsourced traders and ensure that an adequate compliance structure was put in place. It failed to do so.”

“The sanctions available to securities regulators under the Act are not punitive or remedial, but rather are preventative in nature. The monetary penalties are intended to deter similar inaction, while the Respondent’s undertaking to implement a new compliance structure is intended to prevent future misconduct from continuing occur.”

The Commission approved the settlement agreement and ordered that Maritra:

- be reprimanded;
- comply with Nova Scotia securities laws;
- pay an administrative penalty of \$110,000.00; and
- pay costs in the amount of \$10,000.00 in connection with the investigation and proceedings.

For the complete [settlement agreement](#) and [order](#), please visit the Commission [website](#).

The Nova Scotia Securities Commission is the provincial government agency responsible for regulating trading in securities and derivatives in the province.

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