

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 102690 / March 17, 2025

ADMINISTRATIVE PROCEEDING
File No. 3-22398

In the Matter of	:	EXTENSION ORDER
	:	
BMO Capital Markets Corp.,	:	
	:	
Respondent.	:	
	:	

The Division of Enforcement (“Division”) has requested an extension of time until March 16, 2026, to submit a Proposed Plan of Distribution under Rule 1101(a) of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1101(a).

On January 13, 2025, the Commission issued an Order Instituting Administrative Proceedings, pursuant to Section 15(b)(4) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (the “Order”)¹ against BMO Capital Markets Corp. (“CMC” or the “Respondent”). In the Order, the Commission found that between December 2020 and May 2023, certain CMC registered representatives engaged in a scheme to misleadingly alter the Collateral Information used in marketing of certain Agency CMO Bonds (the “CMO Bonds”). The Commission further found that CMC failed to establish and implement supervisory procedures reasonably designed to prevent and detect the CMC Registered Representatives, subject to CMC’s supervision, from providing misleading information when

¹ Securities Act Rel. No. 102160 (Jan. 13, 2025).

offering and selling the CMO Bonds to customers.

The Commission ordered the Respondent to pay \$19,417,908.00 in disgorgement, \$2,241,507.00 in prejudgment interest, and a \$19,000,000.00 civil money penalty, for a total of \$40,659,415.00, to the Commission. The Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty collected, along with the disgorgement and prejudgment interest collected, can be distributed to harmed investors (the “Fair Fund”).

The Fair Fund consists of the \$40,659,415.00 collected from the Respondent. The Fair Fund has been deposited in a Commission-designated account at the U.S. Department of the Treasury, and any accrued interest will be added to the Fair Fund.

In its request for an extension of time, the Division states that additional time is needed to complete the fund administrator solicitation and appointment process, develop the distribution methodology, and prepare the proposed plan of distribution.

Accordingly, for good cause shown, IT IS HEREBY ORDERED that the Division’s request for an extension of time until March 16, 2026, to submit a Proposed Plan of Distribution is granted.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.²

Vanessa A. Countryman
Secretary

² 17 C.F.R. § 200.30-4(a)(21)(i).