

IIROC NOTICE

Enforcement Notice Decision

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Legal and Compliance

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09-0226
July 30, 2009

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IN THE MATTER OF YVES MÉCHAKA – Settlement

SUMMARY

On July 14, 2009, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) accepted a Settlement Agreement between IIROC Staff and Yves Méchaka (the “Respondent”). Pursuant to the Settlement Agreement, the Respondent admitted that in the period from 2001 to 2005:

(a) Violation No. 1

He failed to respect the minimum standards for retail account supervision, in several respects, and to ensure adequate supervision of the client accounts and the activities of the representatives at iForum Securities Inc., contrary to IDA By-law 29.27(b) and Policy No. 2;

(b) Violation No. 2

He failed to establish and to maintain an environment that would allow adequate supervision and monitoring of the activities of iForum Securities Inc. and ensure compliance with securities regulations, contrary to IDA By-law 29.27(a) and Policy No.



2; and

(c) Violation No. 3

He failed to use the required due diligence to correct numerous deficiencies observed during examinations by the IDA's Sales Compliance Department and to comply with regulatory requirements, thereby engaging in business conduct contrary to IDA By-law 29.1.

Pursuant to the Settlement Agreement, the Hearing Panel imposed the following penalty against the Respondent:

- (a) A permanent bar from approval by IIROC in any category and in any capacity whatsoever with a Dealer Member of IIROC.

The Hearing Panel further required the Respondent to pay costs in the amount of \$50,000.

The IDA formally initiated the investigation into the Respondent's conduct on November 24, 2005. The violations occurred while the Respondent was the officer responsible for Quebec, branch manager, director, president, chairman of the Board, secretary and registered representative of iForum Securities Inc. The Respondent is no longer a registrant with an IIROC-regulated firm.

The Hearing Panel issued its Decision orally on July 14, 2009, with Reasons to be provided in writing subsequently.

The Hearing Panel's decision and the settlement agreement are available at <http://docs.iroc.ca/DisplayDocument.aspx?DocumentID=D7F3950F3F3E45A883BCC591323F36EA&Language=en>.