

NOTICE / NEWS RELEASE

For immediate release

Enforcement Notice

Decision

15-0185

For further information, please contact:

Enforcement Contact:

Claudyne Bienvenu
Acting Vice-President, Québec
514 878-2854
cbienvenu@iiroc.ca

Media Contact:

Karen Archer
Manager, Media Relations
416 865-3046
karcher@iiroc.ca

IN THE MATTER OF Steve Duchaine – Penalty Decision

August 24, 2015 (Montréal, Québec) – Following a disciplinary hearing held on September 10 and 26, 2014, October 3, 2014 and November 6 and 7, 2014, in Montréal, Québec, a Hearing Panel of the Investment Industry Regulatory Organization of Canada (IIROC) found that Steve Duchaine was liable of the violations alleged by IIROC, namely: having misrepresented to several clients that the principal amount of a corporate debenture was 100% guaranteed at maturity, when it was in fact a non-guaranteed debenture; having recommended and acquired securities that were unsuitable for a client's investment objectives for the purpose of generating commissions; having recommended and substituted bonds in a client's portfolio for the purpose of generating commissions, preferring his own interests ahead of the client's; having executed transactions in clients' accounts, charging commissions that were not within the bounds of good business practice; and having tried to forge a client's signature to complete an application form.

The Hearing Panel's decision on liability, dated December 22, 2014, is available at:

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=14413331FA61417183346485028F2E42&Language=en>



Following a penalty hearing held on April 27, 2015 and June 9, 2015, the Hearing Panel imposed the following penalties on Mr. Duchaine:

- a) An aggregate fine in the amount of \$57,500;
- b) Reimbursement of the commissions generated on the transactions in connection with counts 1 through 4 in the Notice of Hearing, in the amount of \$5,004;
- c) Suspension of approval for a period of one year from the date of the decision;
- d) In the event of re-approval, 12 months of strict supervision by a supervisor in Mr. Duchaine's branch, with mandatory submission of monthly supervision reports to the IIROC Registration Department; and
- e) In the event of re-approval, the requirement to successfully rewrite the Conduct and Practices Handbook exam before seeking re-approval.

The Hearing Panel also ordered Mr. Duchaine to pay IIROC costs in the amount of \$5,000.

The penalty decision is available at

<http://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=8F0EC87123594A3FA4B643CD4787D4AC&Language=en>

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 Mr. Duchaine's conduct in December 2012. The conduct occurred when Mr. Duchaine was a Registered Representative with the Quebec City branch of Laurentian Bank Securities Inc., an IIROC-regulated firm. Mr. Duchaine is no longer a registrant with an IIROC-regulated firm.

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IIROC is the national self-regulatory organization which oversees all investment dealers and trading activity on debt and equity marketplaces in Canada. Created in 2008 through the consolidation of the Investment Dealers Association of Canada and Market Regulation Services Inc., IIROC sets high quality regulatory and investment industry standards, protects investors and strengthens market integrity while maintaining efficient and competitive 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.