



TO: Approved Participants

January 23, 2003

**DISCIPLINARY DECISION
JOHN PATRICK DOYLE**

On August 30, 2001, following an investigation conducted by its Investigation Department, the Regulatory Division of Bourse de Montréal Inc. (the "Bourse") lodged a complaint against John Patrick Doyle, an approved person of the Bourse.

By way of an offer of settlement presented and approved by the Special Committee – Regulatory Division, John Patrick Doyle has accepted the imposition of a total fine of \$550,000 and a permanent prohibition from approval in any capacity with an approved participant of the Bourse. Mr. Doyle also accepted to pay the costs of the investigation in the amount of \$10,000.

John Patrick Doyle has recognized having contravened article 4101 of the Rules of the Bourse.

Article 4101 of the Rules of the Bourse prohibits any act, conduct, practice or proceeding unbecoming an approved person of the Bourse, inconsistent with just and equitable principles of trade, or detrimental to the reputation of the Bourse or to the interests or the welfare of the public or of the Bourse.

During the period of May 1999 to September 2000, John Patrick Doyle engaged in conduct unbecoming an approved person and detrimental to the interests or the welfare of the public or of the Bourse when he embezzled and misappropriated funds belonging to clients.

During this period, the representative misappropriated ten cheques issued in the names of six clients for a total amount of \$347,500. These cheques had been given to him by his employer for delivery to clients. Instead of remitting these cheques to the concerned clients, M. Doyle endorsed them fraudulently and deposited them in his own personal accounts. For these violations Mr. Doyle has accepted the imposition of a fine of \$500,000 and a permanent prohibition from approval in any capacity with an approved participant of the Bourse.

Furthermore, during the month of January 2001, John Patrick Doyle engaged in conduct unbecoming an approved person and detrimental to the interests or the welfare of the public or of the Bourse when he refused, in writing, to cooperate with the Bourse after having been duly summoned to do so as part of an investigation of the facts that led to the present disciplinary measures. For this violation M. Doyle has accepted to the imposition of a fine of \$50,000.

Circular no.: 010-2003

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At the time of the violations related to the fraudulent appropriation of funds, John Patrick Doyle was a registered representative with Desjardins Securities Inc.

Following a review of the findings of the investigation, the Regulatory Division concluded that there were no grounds for any disciplinary action against Desjardins Securities Inc. in particular for the following reasons: i) the violations committed by the representative would have been difficult to detect and this despite adequate procedures and satisfactory supervision; ii) the firm reacted rapidly by dismissing the representative as soon as it was informed of the situation; and iii) the firm compensated the aggrieved clients.

John Patrick Doyle had already been disciplined by the Bourse on September 21, 2000. By way of an offer of settlement, he had accepted more particularly, the imposition of a fine of \$10,000, the reimbursement of the commissions in the amount of \$2,000 and the payment of the costs of the investigation in the amount of \$3,500 following the recommendation to a client of a transaction which did not correspond to his investment objectives nor to his financial situation, which transaction had been executed in a discretionary manner. (circular no: 179-2000)

For further information, please contact Catherine Lefebvre, Legal Counsel and Supervisor of Registration and Disciplinary Affairs, Regulatory Division, at (514) 871-4949, extension 497, or by e-mail at clefebvre@m-x.ca.

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