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<input checked="" type="checkbox"/>	Trading – Equity and Index Derivatives	<input checked="" type="checkbox"/>	Technology
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CIRCULAR
July 3, 2008

**DISCIPLINARY DECISION
DEMERS CONSEIL INC.**

On January 22, 2008, following an investigation conducted by its Regulatory Division, Bourse de Montréal Inc. (the Bourse) filed a complaint against Demers Conseil inc., an approved participant of the Bourse.

This complaint stated that on or about August 29, 2007, Demers Conseil inc. had not requested nor obtained the prior approval of the Bourse pertaining to the taking of a major position, contrary to paragraph 1 of article 3421 of the Rules of the Bourse.

Following a hearing held on May 13, 2008, the Disciplinary Committee of the Bourse (the Committee) issued a decision which rejected the Bourse's complaint against Demers Conseil Inc. In addition to concluding that Demers Conseil Inc. had not been negligent nor shown bad faith, the Committee also held that a defence of due diligence was possible for this type of alleged infraction, and that Demers Conseil Inc. had been able to establish that such due diligence had been effectively exercised with regards to the transaction that had been the subject of the Bourse's complaint.

To access the full text version of the Committee's decision, please refer to the following link: http://www.m-x.ca/f_publications_fr/DecisionDemersConseil.pdf (available in French only).

For further information, please contact Mr. Francis Larin, Director and Legal Counsel, Regulatory Division, at 514 871-3516 or by e-mail at flarin@m-x.ca.

Jacques Tanguay
Vice-President, Regulatory Division

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