



<input type="checkbox"/>	Trading – Interest Rate Derivatives	<input type="checkbox"/>	Back-office - Options
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CIRCULAR
April 8, 2004

**DISCIPLINARY DECISION
CHRISTIAN ROUX**

On December 22, 2000, following an investigation conducted by the Investigation Department of the Regulatory Division, Bourse de Montréal Inc. (the "Bourse") lodged a complaint against Christian Roux, a person approved by the Bourse.

By way of an offer of settlement presented and approved by the Special Committee – Regulatory Division, Christian Roux has agreed to pay a fine of \$5,000 and has agreed to pay the costs of the investigation in the amount of \$5,000. Furthermore, Mr. Roux will be subjected to a daily supervision of his activities by BMO Nesbitt Burns Ltée/Ltd. for six months.

Christian Roux has recognized having contravened article 4101 of the Rules of the Bourse.

Article 4101 of the Rules of the Bourse prohibits approved persons from engaging in any act, conduct, practice or proceeding unbecoming of 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 interest or the welfare of the public or of the Bourse.

During the period of February 1997 to January 1998, Christian Roux engaged in conduct inconsistent with just and equitable principles of trade by recommending to a client, transactions where the proportion of invested assets in the oil and gas sector and their high concentration in the portfolio did not correspond to the personal situation of the client. As stated on her cash and RRSP account opening forms, the client's investment objectives were oriented to 100 percent moderate growth for the cash account and 90 percent moderate growth and 10 percent dynamic portfolio for the RRSP account. The client had limited to medium knowledge in securities investments.

The five recommendations on three securities considered individually could have been appropriate to the investment objectives of the client since they respected her request for moderate growth. However, the concentration of the client's portfolio in a category of securities of the oil and gas sector in the cash and RSSP accounts, was contrary to the principle of portfolio diversification, making this one more risky than what was appropriate for the client.

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At the time of this contravention, Christian Roux was a registered representative and officer (Vice-President) of BMO Nesbitt Burns Ltée/Ltd.

Following a review of the findings of the investigation, the Regulatory Division concluded that there were no grounds for any disciplinary action against BMO Nesbitt Burns Ltée/Ltd.

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

Jacques Tanguay
Vice-President, Regulatory Division