



## Press Release

*For immediate distribution*

### ELEVEN CHARGED WITH FRAUD AND FRAUDULENT MANIPULATION OF STOCK EXCHANGE TRANSACTIONS

**Montréal, Tuesday, February 15, 2011** – This morning, the Integrated Market Enforcement Team (IMET) charged eleven Montréal and Toronto residents with various offences relating to the capital markets. Jacky Quan, Gia Tuong Quan, Normand Bouchard, Mario Dumais, Mario Paquin, Tri Minh Huynh, Robert Savoie, Claude Valade, René Viau, Rénald Gagnon and Richard Tremblay will face justice for various fraud-related offences committed against 120 investors in the Montréal and Toronto areas.

Charges were first laid against Jacky Quan, Gia Tuong Quan, Normand Bouchard, Mario Dumais, Mario Paquin, Tri Minh Huynh, Robert Savoie and Claude Valade for fraud and fraudulent manipulation of stock exchange transactions estimated at \$3 million. They were also charged with commission of offences in association with a criminal organization and with conspiracy to commit criminal offences.

A second set of charges for fraud unrelated to market manipulation estimated at \$140,000 were also laid against Claude Valade, René Viau, Rénald Gagnon and Richard Tremblay. They were also charged with conspiracy and commission of indictable offences in association with a criminal organization.

The offences for which the accused are charged were allegedly committed between the months of May 2008 and December 2009.

The victims in this case are primarily holders of various types of registered retirement savings plan accounts (*RRSPs, LIRAs and other*) who were recruited through local and regional newspaper ads. The accused offered these retirement plan holders to transfer their savings into a self-directed account and let them have part of the value of their accounts without any tax deductions. In return, the victims gave the organization control over their self-directed accounts. The accused then emptied the victims' accounts in association with the organization through a series of prearranged stock market transactions.

Fifty-nine Canadian-based small capitalization company stocks traded on TSX-Venture were allegedly manipulated by this criminal organization without the companies' knowledge.

This criminal investigation is the result of a coordinated effort by investigators of the Royal Canadian Mounted Police (RCMP), the Investment Industry Regulatory Organization of Canada (IIROC) and the *Autorité des marchés financiers* (AMF). The AMF initially received a series of complaints from Montreal area residents who claimed to have been defrauded in various ways by the accused. The AMF forwarded the information to the IMET investigators for the purpose of a criminal investigation.

The accused are scheduled to appear at the Montréal Court House on March 11, 2011, to face a total of 18 counts of indictment.

IMET is part of RCMP's Financial Integrity Program. It is composed of the Royal Canadian Mounted Police, *Sûreté du Québec*, *Autorité des marchés financiers* and Public Prosecution Service of Canada.

Citizens should also be aware that the IMET program is committed to preventing capital markets fraud offences, investigating serious Criminal Code offences that are of regional or national significance and threaten investor confidence or economic stability in Canada, and to supporting the prosecution of white-collar crime.

The Montréal IMET special squad is also responsible for previously investigating and laying criminal charges in the Norbourg case as well as in the Norman Burns case that unfolded in Trois-Rivières.

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**For Information:**

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