

IN THE MATTER OF  
*THE SECURITIES ACT, 1988, S.S. 1988, c. S-42.2 ("Act")*

AND  
IN THE MATTER OF

EDOUARD YVON ELZEAR BONAMIE ("Bonamie")

aka: EDOUARD YVON ELZEAR BONAMI  
NICHOLAS YVON BONAMY  
NICOLAS YVON BONAMIE  
YVON EDOUARD BONAMI  
YVON BONAMIE  
NICHOLAS YVON  
NICHOLAS J. BONAMY  
NICOLAS GRIMALDI  
NICOLAS IVES

PAT THERIAULT ("Theriault")

aka: PAT THERIAULT-LUSBY  
IVES BUSINESS SERVICES INC. ("Ives Business")

COLLECTIVELY THE "RESPONDENTS"

FAMILY CIRCLE 40/40 OPTION FUND ("40/40 FUND")  
THE WORLD OF SYNCHROTRON PERFORMANCE FUND (SYNCH FUND")

COLLECTIVELY THE "FUNDS"

## DECISION

Hearing Held: April 19, 2006

Before: W.F. Ready, Q.C., Chairman  
Gwen Charman, C.A.  
Frank Reidy, C.C.I.B.

Appearances: Ms. Pacholek for the Staff of the Commission

No one for the Respondents or the Funds

Decision dated: May 11, 2006

## DECISION

The Notice of Hearing herein was issued on April 26, 2005. It provided for the hearing date to be June 28, 29, 30, 2005.

This date was not satisfactory with Mr. Ronald P. Piche, representing the Respondents, and after unsuccessful attempts to arrange a date between Counsels for the parties, a conference telephone meeting was arranged on July 15, 2005, for the purpose of having the Hearing Panel fix a date for the hearing. Mr. Piche was not in his office but left instructions with his Secretary. During the meeting, various dates were proposed, all of which were unsatisfactory to Mr. Piche. Finally, the dates of December 21, 22, and 23<sup>rd</sup> were the closest to being satisfactory to Mr. Piche (although the Hearing Panel was not keen to have a hearing so close to Christmas) with it being indicated that he would be unavailable on December 21, 2005. Notwithstanding, the Hearing Panel concluded that in view of the length of time before the hearing would commence, surely Mr. Piche could arrange his affairs to be available on December 21<sup>st</sup> and accordingly the Hearing Panel fixed December 21, 22 and 23, 2005 as the dates for the hearing of this matter.

By letter dated July 29, 2005 by Mr. Piche to the Commission he indicated, inter alia, that he did not agree with the date so fixed and stated, "I do not intend on participating." Eventually, the Staff of the Commission was able to arrange new dates, which were satisfactory to Mr. Piche, the same being April 19, 20, 21, 2006.

On April 12, 2006, Mr. Piche indicated that he wanted a further adjournment. The Secretary of the Commission arranged with the Hearing Panel and with Mr. Piche for conference telephone call to be held at 11:30 a.m. on April 13, 2006, to enable Mr. Piche to apply for this further adjournment. On April 13, 2006, prior to the time as fixed, attempts by the Secretary of the Commission to contact Mr. Piche by telephone at, or through his office were unsuccessful. The Hearing Panel assembled at the appointed time, but Mr. Piche did not respond. After waiting for Mr. Piche until 12:05 p.m. (without hearing from him) the Secretary of the Commission made an attempt to contact him on his cell telephone. After several rings, the call went through to Mr. Piche's voice mail, which indicated he was out of the office. In the circumstance the Hearing Panel concluded that, no adjournment having been granted, the hearing would have to proceed on April 19, 2006.

By letter dated April 17, 2006, to the Commission, Mr. Piche set forth his explanation for not participating in the conference call and indicated that neither he nor his client would be "attending" the hearing.

The hearing convened on April 19, 2006, and not surprisingly Mr. Piche and no one from the Respondents were present. The Notice of Hearing provided that if the Respondents did not attend at the time and place for the hearing, that the hearing could proceed in their absence and no further notice of the proceedings would be given to them.

Accordingly the hearing proceeded in the absence of the Respondents and Mr. Piche for

the purpose of considering whether it was in the public interest to order:

1. Pursuant to clause 134(1)(a) of the Act, that the following exemptions shall not apply to the Respondents:
  - (a) the exemptions contained in sections 38, 39, 39.1, 81, 82 and 102 of the Act: and
  - (b) the exemptions contained in *The Securities Regulations*, R.R.S., c. S-42.2 Reg 1, which provide for exemptions from the requirements of sections 27, 58, 71 and 104 to 109 of the Act;
2. Pursuant to clause 134(1)(b) of the Act that trading in securities of the Family Circle 40/40 Option Fund and The World of Synchrotrons Performance Fund shall cease;
3. Pursuant to clause 134(1)(d) of the Act that trading in all securities by the Respondents shall cease;
4. Pursuant to clause 134(1)(e) of the Act that the Respondents shall cease giving advice to the Funds and respecting securities generally;
5. Pursuant to subclause 134(1)(h)(ii) of the Act that Edouard Yvon Elzear Bonamie and Pat Theriault be prohibited from becoming or acting as a director or officer of any issuer or registrant;
6. Pursuant to subclause 134(1)(h)(iii) of the Act that Edouard Yvon Elzear Bonamie and Pat Theriault not be employed by any issuer or registrant;
7. Pursuant to section 135.1 of the Act that the Respondents, either collectively, or individually, pay an administrative penalty of up to \$100,000; and
8. Pursuant to section 161 of the Act that the Respondents, either collectively, or individually, pay the costs of or relating to the hearing.

The evidence adduced establishes the following, namely:

1. Bonamie used several aliases, namely,
  - Edouard Yvon Elzear Bonami
  - Nicholas Yvon Bonamy,
  - Nicolas Yvon Bonamie,
  - Yvon Edouard Bonami,
  - Yvon Bonamie,
  - Nicholas Yvon,
  - Nicholas J. Bonamy,
  - Nicholas Grimaldi,
  - Nicolas Ives.

2. Bonamie has a long record of criminal convictions namely:
  - (a) In 1972 in Montreal convicted of fraud and sentenced to 2 years, with the sentence suspended and probation for 2 years;
  - (b) In 1976 in Montreal convicted on 14 charges of fraud and sentenced to 23 months, each concurrent;
  - (c) In 1978 in Arthabaska, Que., convicted of fraud and sentenced to 2 years consecutive to sentence serving;
  - (d) In 1981 in Montreal convicted on 24 charges, 6 charges of failing to comply with recognizance, 6 charges of theft, and 1 charge of attempted theft and sentenced to 4 years and 4 months on fraud charges with all other sentences to run concurrently;
  - (e) In 1993 in Victoria convicted of possession of forged passport and fined \$1000.00;
  - (f) In 1996 in Red Deer convicted of theft and sentenced to 7 years and 6 months;
  - (g) In 1997 in Vancouver convicted of theft and uttering forged document and sentenced to 1 year on each charge consecutive to sentence serving;
  - (h) In 1998 in Victoria convicted of breach of Copyright Act and 3 charges of fraud and sentenced to 6 months concurrent to sentence serving;
  - (i) In 2005 in Saskatoon, pleaded guilty to 4 charges, namely, forgery, circulation false statement to induce persons to become shareholders of Genometrics Corporation, 2 of fraud, with a stay of 27 counts in the indictment filed December 12, 2003, and being released on undertaking a number of conditions, with sentencing adjourned to May 15, 16, 17, 2006;
3. Ives Business was incorporated under the laws of Saskatchewan on July 12, 2001, with the incorporator being Theriault, with initial directors being Bonamie (under alias Nicolas Grimaldi) and Theriault, with Theriault being the sole director as at March 30, 2005.
4. The 40/40 Fund was established under the laws of Saskatchewan on July 27, 2004 by Ives Business as Manager, to be managed and operated by Ives Business as a hedge fund with the securities of the fund to be offered for sale in Saskatchewan under the following exemptions provided in the Securities Act, as follows:
  - (a) “close friends and close business associates” (sections 39(1)(cc) and 81(1) (z) of the Act);
  - (b) “private placement” (sections 39(1)(e) and 81(1)(d) of the Act);

- (c) “accredited investor” (section 5.1 of Multilateral Instrument 45-103 Capital Raising Exemptions).

Ives Business was to provide mentorship services to futures traders and managed portfolio managers.

5. The Synch Fund was established under the laws of Saskatchewan on July 27, 2004, by Ives Business as Manager, to be managed and operated by Ives Business as a hedge fund with the securities of the fund to be offered for sale in Saskatchewan under the said “accredited investor” exemption, with the fund portfolio to consist primarily in investments in patents related to synchrotron radiation technology.
6. As Manager of the 40/40 Fund and the Synch Fund, Ives Business was acting as an advisor as defined by section 2(1)(a) of the Act, but it was not registered as an adviser as required by section 27 of the Act.
7. The Genometrics Corporation was incorporated under the laws of Saskatchewan on November 29, 2000, with Bonamie (using alias Nicolas Grimaldi) being the incorporator and first director and with Theriault and Warren Steck also becoming directors later.
8. Ives Business traded in securities of the 40/40 Fund and the Synch Fund by posting offering memoranda relative thereto on a web site at [www.ivesbus.ca](http://www.ivesbus.ca).
9. Bonamie and Theriault were associated in the operation of Ives Business, the 40/40 Fund, the Synch Fund and Genometrics Corporation.
10. Bonamie and Theriault also have a personal relationship. They live together at 302-910 Heritage View, Saskatoon.
11. The business activities of Bonamie and Theriault relative to Ives Business, the 40/40 Fund, the Synch Fund and Genometrics Corporation came to light as result of an Enforcement Officer for the Commission following up on a news item broadcast by the CBC relative to Bonamie and the Synchrotron at Saskatoon and a batch of charges against him concerning the genomics lab.
12. No documents relative to the 40/40 Fund and/or the Synch Fund have been filed with the Commission by or on behalf of the Respondents. None of the Respondents were registered as advisers under section 27 of the Act.
13. Ives Business obtained internet services for the following domain names:
  - (i) ivesbus.ca
  - (ii) ivesbus.com
  - (iii) 3igroup.ca
  - (iv) 3iincubator.com
  - (v) dna.info
  - (vi) iasls.org

that included the following e-mail addresses:

- (vii) nicolas@ivesbus.ca
- (viii) ngrimaldi@ivesbus.com
- (ix) nives@ivesbus.com
- (x) pt@ivesbus.com
- (xi) pthreriault@ivesbus.com
- (xii) ngrimaldi@3iincubator.com
- (xiii) ptheriault@3iincubator.com
- (xiv) nicolas@3igroup.ca
- (xv) ptheriault@3igroup.ca
- (xvi) nicolas.ives@dna.info

14. On March 31, 2005, the Director of the Commission issued a Temporary Order pursuant to section 134 of the Act, which provided that the Respondents cease trading in securities of the 40/40 Fund and the Synch Fund, which Temporary Order was extended on April 14, 2005, pursuant to section 134(3) of the Act.

A basic function of securities legislation is to protect the public from being defrauded by unscrupulous and dishonest persons dealing in or with securities. It is for that reason that those administering securities legislation must seek to ensure that every person involved in the securities business is honest and above reproach and whose integrity and reputation is impeccable.

Having regard to the long criminal record of Bonamie (spanning over 30 years and as late as 2005-2006) as hereinbefore set forth, we have no hesitation in holding that he is not a fit and proper person to be involved in the securities business and that he should be stopped and prevented from doing so.

So far as Theriault is concerned, in view of her business association and personal relationship with Bonamie, she is tarnished by his criminal record even although she does not have a criminal record. In a way she is, "tarred with the same brush". We have no hesitation in holding that she is not a fit and proper person to be involved in the securities business and that she also should be stopped and prevented from doing so.

Accordingly we hold that it is in the public interest to order, as follows:

1. Pursuant to clause 134(1)(a) of the Act, that the following exemptions shall not apply to the Respondents:
  - (a) the exemptions contained in sections 38, 39, 39.1, 81, 82 and 102 of the Act: and
  - (b) the exemptions contained in *The Securities Regulations*, R.R.S., c. S-42.2 Reg 1, which provide for exemptions from the requirements of sections 27, 58, 71 and 104 to 109 of

- the Act;
2. Pursuant to clause 134(1)(b) of the Act that trading in securities of the 40/40 Fund and The Synch Fund shall cease;
  3. Pursuant to clause 134(1)(d) of the Act that trading in all securities by the Respondents shall cease;
  4. Pursuant to clause 134(1)(e) of the Act that the Respondents shall cease giving advice to the Funds and respecting securities generally;
  5. Pursuant to subclause 134(1)(h)(ii) of the Act that Bonamie and Theriault be prohibited from becoming or acting as a director or officer of any issuer or registrant;
  6. Pursuant to subclause 134(1)(h)(iii) of the Act that Bonamie and Theriault not be employed by any issuer or registrant;
  7. Pursuant to section 135.1 of the Act that each of Bonamie and Theriault, do pay an administrative penalty of \$50,000; and
  8. Pursuant to section 161 of the Act that the Bonamie and Theriault do jointly and severally pay the costs of or relating to the hearing in the amount of \$17,360.01.

DATED at Regina, Saskatchewan, May 11, 2006

"W.F. Ready"  
W. F. Ready, Q.C., Chairperson

"Gwen Charman"  
Gwen Charman, C.A.

"Frank Reidy"  
Frank Reidy, C.C.I.B.