



ALLEN McINNIS THE GAZETTE

Serge Létourneau's firm specializes in helping recover money from suspect investment deals.

Lawyer is investors' pit bull

Little guy can and does win, he says

PAUL DELEAN
THE GAZETTE

If you're in the securities business in Quebec, one of the names you least want to see on incoming correspondence is Serge Létourneau's.

It means there's probably a problem, and a legal pit bull is on the case.

Létourneau, 51, is one of a small group of Quebec lawyers who have made a specialty of claims against brokers and investment firms.

"It's about 95 per cent of my business, and 50 per cent for my partner (Suzanne Gagné)," said Létourneau, a principal in the three-lawyer Quebec City firm

the 1990s when he helped secure a landmark judgment of about \$2 million against **Prudential-Bache Commodities Canada Ltd.** on behalf of client Armand Laflamme, a retired former owner (now deceased) of a door-and-window factory on the outskirts of Quebec City.

Under the stewardship of former Prudential-Bache stockbroker Jules Roy, Laflamme's portfolio of more than \$1 million shrank by about \$800,000 in the space of three years. Financial experts who studied the broker's transactions described them as inappropriate, inexplicable and irresponsible. Laflamme was charged \$111,000 in commissions and \$272,000 in interest on his margin accounts.

The legal process began in Superior Court in Quebec City in 1991 and concluded nine years

back in the news as he and Gagné pleaded the case of Montreal retirees Haroutioun and Alice Markarian, who are suing **CIBC Wood Gundy** for the return of \$1.4 million seized from their accounts to honour trading guarantees obtained from them under false pretences by their former CIBC broker, vice-president Harry Migirdic.

The 42-day trial concluded in Montreal Superior Court almost six months ago. No judgment has been rendered.

Létourneau has handled dozens of investment cases, many of which were settled in mediation. Some were referred to him by lawyers in large firms who aren't keen on going after big companies they're also trying to attract, or keep, as clients.

"We represent claimants exclusively," Létourneau said. "We

been wronged by their broker or investment manager, a formal letter of complaint to the company outlining the points of contention is the usual first step.

Don't get emotional and write things that could come back to haunt you, Létourneau counsels. You might want to run the letter by a lawyer beforehand, he said, to make sure you don't stray out of bounds.

If you're not satisfied with the response of the company and its compliance committee or of regulators such as the Investment Dealers Association, legal action remains an option, he said.

It's not unusual for disgruntled investors to get the cold shoulder – and occasionally a threat of prolonged legal action – when they ask for restitution or explanations, he said. That's just the way the game is played.