



UNIVERSITÉ DE  
SHERBROOKE

# **THE CIBC RESEARCH CHAIR ON FINANCIAL INTEGRITY**

## **The 2011-2012 Annual Report**

By

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Faculté d'administration

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## Table of contents

Introduction.....	3
I- Research Projects.....	4
II- Supervising Graduate Students.....	7
III- Publications.....	9
IV- Academic Colloquia.....	12
V- Training Sessions and Non-academic Symposium.....	14
VI- Social Involvement.....	15
VII- Collaborators.....	16

## Introduction

The Chair has been founded as the result of two major donations given during the University of Sherbrooke's Ensemble fund-raising campaign. We would like to thank the Chair's main partner, CIBC, providing \$100,000 a year over 10 years, for a total of \$1M, and Raymond Chabot Grant Thornton (RCGT) providing \$40,000 a year for 5 years. The Faculty of Business Administration provides \$25,000 per year in the first three years and a significant in-kind contribution: part of the Chairholder's salary, an office for the Chair's research professional (who could be hired in Year 3-5), and administrative support and technical assistance for computers.

In 2011, the Chairholder has realized a prestigious publication: *Éthique et criminalité financière* (Paris, L'Harmattan). The book addressed the organizational, micro-economic, macro-economic, social and political impact of three main types of financial crime: corruption (including bribery), cybercrime and money laundering. The book helps to find out a philosophical basis for ethical decision-making, when facing opportunities of deviant/criminal actions. Usually, financial crimes are described with legal and sociological variables. Most of the time, the philosophical dimensions of financial crimes are neglected. This book offers a new way to look at financial crimes and unveils their moral aspects. It will help business/political decision-makers as well as the public in general to highlight the moral questioning. In that way, the book is contributing to raise the social consciousness about corruption, cyber-crime and money laundering.

Generally speaking, if we look at the academic outcomes from the four research thrusts, we should be very proud of our accomplishments: 2 books and 11 articles. We are still building up two databases: one in the Governance Thrust and the other in the Financial Thrust. Such databases constitute the foundation of our future publications.

Prof. Michel Dion, Chairholder  
CIBC Research Chair on Financial Integrity

## **I- RESEARCH PROJECTS**

The Chair has the following **strategic objectives**:

- Further knowledge in the field of integrity and financial crime.
- Establish new methods and new prevention mechanisms such as compliance programs, trend watch, and emerging financial crime.
- Help improve the training of future managers in terms of corporate governance, ethical leadership, and ethical decision-making.
- Improve the transfer of knowledge about financial integrity between university researchers, the levels of government, regulatory bodies, and the business community.
- Establish partnerships with research institutes and chairs in Canada and abroad.
- Disseminate the Chair's research as a means of preventing financial crime.

The Chair's research activities fall into four thrusts: governance, finance, legal, and procedural.

Here are the different steps and aspects of research projects we have focused on in the last year (december 2010-2011). Those projects used the Donors' grants, as it was agreed by the Five Years Plan.

### **GOVERNANCE THRUST**

This research thrust aims at analyzing governance culture evolution, particularly in Canadian businesses, within the context of the new regulations applicable in each Canadian province.

*Database on Canadian business corporations* : In 2010-2011, we have started building up a database on 241 Canadian business corporations (from 2000 until now) which constitute the Standard and Poor's/TSX (Toronto Stock Exchange) index. The database includes information about members of boards of directors and their committees : their names, age, gender, expertise, roles, years' service on the board, related/unrelated status, the number of boards (of listed companies) in which they are members, and the number of board/committee meetings they have participated in. From 2000 to 2011, the database will gather information about around 35 000 directors. There is no other database in the whole world that is providing so many information about directors of listed companies. Our database will help to describe the major trends in governance structures, such as the size of the board, the number of committees, the related/unrelated status of directors, their expertise and gender as well as the duration of their term of office. The database also includes information about the industries in which such business corporations are evolving as well as financial/non-financial disclosed information. The database allows to make comparative studies between boards of directors coming from various Canadian provinces. The database will probably be available (for research) before the end of 2012 (student : Silvere Comlan Anani).

### **FINANCIAL THRUST**

The financial thrust aims at describing current practices and trends pertaining to financial crime. Given the potential impact on investors and savers, the Chair will focus its efforts on understanding fraudulent stratagems within organizational culture and governance structures that characterize organizations subject to financial crime.

*First Phase : Database about financial crimes* : Since February 21th 2011, a student (Line Drapeau) was hired in order to build up a database about financial crimes. Out of the literature review which has been realized in Summer 2010 (by Stephanie Buote, research assistant), it became obvious that we should develop our own database. Ms. Buote's work led to the conclusion that it would be difficult to get a complete database covering such an extended period of time. The database will be finalized in 2012. The database includes all types of financial crime in Canada (source : *Globe and Mail*) and USA (source : *Wall Street Journal*). In the first development phase, the database must report financial crimes at the time of publication in the national newspapers. However, the mandate has been largely extensive. Henceforth, it

incorporates follow-ups of news referring to the first published news on a financial crime.<sup>1</sup> In a *Second phase*, the database will be completed by adding more information about the way information has been updated since the first announcement of the financial crime. The way such updated information is disclosed should have a significant impact on company value and related-company value (for instance, suppliers, clients). There is an interval between the first announcement of a corporate event and its gradual incorporation in the equilibrium price. A high frequency of newspapers' articles about a given financial crime should accelerate the movement on securities of « criminal-indicted » companies and amplify the cascade effect on securities which are indirectly linked to companies which have been the object of the first announcement (« criminal-indicted companies) (students : Line Drapeau ; Marc-André Coulombe).

### ***Database on financial crime : Phase I***

Our first task was to select appropriate search engines. Our selection was based on the following criteria: daily published newspapers, reliability of financial data and number of readers (i.e. a widely published newspaper). This is the reason why we selected *The Wall Street Journal* in the United States and *The Globe and Mail* in Canada<sup>2</sup>. *The Wall Street Journal (WSJ)* covered the period from January 1984 to today and *The Globe and Mail* covered the period from March 1985 to today. Both newspapers were available at the University of Sherbrooke with similar supplier for the articles, which was a valuable tool since it solved the issue of finding how two different search engines functioned with the same key words.

The choice of the main key words (fraud, crime and scandal) emerged from an extensive inquiry. Ms Drapeau examined numerous scientific publications on financial crimes in order to assess which key words authors used in their research and to have a better grasp of the topic. Only one publication revealed its key words (Karpoff and Lott, 1993)<sup>3</sup>, which were “fraud” and “crime.” Soon after, by searching formal definitions for key words in specialized dictionaries, and by screening what kind of news was found in search engines, Ms Drapeau confirmed the words “fraud” and “crime” had an intrinsic juridical meaning. In order to include financial irregularities that are not just strictly juridical, the word “scandal<sup>4</sup>” was selected.

Another explorative period followed in order to choose specific key words to refine results within the search engines. For example, specific key words were selected (“insider trading,” “bribery,” “misconduct,” “irregularity,” “price-fixing”, “audit failure,” “stock manipulation,” etc.). With these key words, Venn diagrams were created to observe how many results were

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<sup>1</sup> To our knowledge, no publication reports the impact of updates on the information following the first news. We believe that the circulation of updates must have a significant impact on the enterprise's value and on the related enterprises' values (suppliers, customers, auditors, etc.) This stance is notably based on the largely documented interval between the announcement of news and their gradual incorporation in equilibrium prices. A notable frequency of publications on a financial crime must accelerate the security's movement related directly to the crime and magnify the cascading effect on securities indirectly associated.

<sup>2</sup> Some sampling tests have been made with the Globe and Mail engine research but most of Line Drapeau's work has been dedicated to the database with the Wall Street Journal engine research.

<sup>3</sup> KARPOFF, Jonathan M. and John R., LOTT. «The Reputational Penalty Firms Bear From Committing Criminal Fraud», *Journal of Law and Economics*, Vol.36, no<sup>o</sup>2(October 1993), p.757-802.

<sup>4</sup> “Scandal” was added several months after our first inquiries as we decided to exclude articles with specific key words.

found in the boundaries of the general key word results. When a large number of results were found, the specific key words were the subjects of sampling (in opposition, when few results were found – for instance, 100 out of 20,000 – no sampling was done). Ms Drapeau read an article for every ten/fifteen/twenty/etc. results and gave them a relevance score. The goal of this procedure was to discover whether our specific key word was relevant (i.e. whether it screens the type of news and articles that we were interested in). This explorative period revealed an important fact: we were quite limited in the number of results found with specific key words. Only “insider trading” identified consistently relevant article results. Accordingly, a database covering July 1991 to June 2011 was constructed. The key words in the *WSJ* research engine were “fraud” or “crime” and “insider trading.” This research on insider trading identified 606 articles.

Following these results, and after many discussions, we opted to explore using general key words (“fraud”, “crime,” and “scandal”) excluding articles using key words related to irrelevant articles. For instance, “crime” was related to events that were by no means relevant to our inquiry (rape, murder, terrorism, assault, etc.). Also, the three general key words identified numerous events in the news that were of no interest to our database (e.g.: congress, senate, North Korea, Afghanistan, Iran, etc.). The same procedure was followed (Venn diagrams and sampling) but this time, we used specific key words that excluded most articles<sup>5</sup>.

The final database includes i) the article's title, ii) the article's publication date, iii) an abstract, iv) a relevancy score of 1 to 3 (i.e.1: highly relevant article - most often the first article of a major financial fraud; 2: relevant article, broad outlines of a trial (accusations, plea, verdict, etc.); 3: low level of relevancy). From this process, and to this day, 3460 articles have been collected covering the period of January 2005 to August 2011 of the *WSJ*. The database is available for use to other groups of the Chair.

### **Other databases to come- Phase II**

We propose to analyze the incidence of ESG standards (Environment, Societal and Sound Governance) on the probability that an enterprise suffers from an unfavourable event related to its reputation (such as unethical behaviours of employees, fraudulent acts, environmental disasters, etc.). In that regard, we will improve the database developed during phase I in order to incorporate environmental news, governance problems or other news related to operational risks of enterprises. We will then measure their probability of occurrence (Altman’s Z-score) in order to set the probabilities in which enterprises may experience unfavourable events according to the level of ESG criteria. In general, this extended database and the studies that will make usage of it will attempt to answer the following question: Does an enterprise with high ESG criteria (i.e. good level of responsible finance) present a significantly lower probability of experiencing an unfavorable event in terms of reputation than an enterprise with low ESG criteria (i.e. low level of responsible finance)?

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<sup>5</sup> The aim of the sampling is to evaluate whether the exclusion of a few relevant articles is worth the exclusion of a lot of non- relevant articles

The database could be completed (covering January 1984 to December 2011) by July-August 2013, considering a 15-hour per week schedule.

The impact of financial crimes and irregularities on stock returns  
(Claudia Champagne, Frank Coggins and Yves Trudel) (2014-2015)

This study develops a new methodology for event studies in finance based on conditional models of performance which control for the financial and economic contexts in which the events or announcements take place. We then use the methodology to test the effect of financial frauds on the performance and risk of firms, industries, and capital markets.

Master Degree students : Stéphanie Buote, Line Drapeau, Magali Point

The impact of ESG (environmental, social and governance) criteria on firm performance and risk  
(Claudia Champagne and Frank Coggins) (2012-2013)

This project studies the impact of significant positive or negative changes in a firm's ESG criteria on performance and risk measures for a sample of North American companies. The results will allow us to answer questions such as: Do ESG criteria add value to portfolio management? Can ESG criteria be used as leading indicators to prevent financial fraud or other types of operational risk?

Post-doctoral student : Amos Sodjahin

The Relationship Between Negative Reputational Events, ESG (Environmental, Societal and Governance) Criteria and Financial Crimes (2012-2015)

(Frank Coggins and Claudia Champagne, UdeS)

In this project, we wish to analyse the impact of ESG criteria on the probability of occurrence of an unfavorable event which can damage a firm's reputation, such as non-ethical behaviors of executives and/or employees, frauds, environmental catastrophes, etc. Results should allow us to answer the following question: do firms with high ESG criteria have significantly lower probabilities of experiencing an unfavorable event than lower-ESG-criteria firms?

Student: Maxime Brisebois-Lemelin

Post-doctorate: Amos Sodjahin

The Tournament Effect and Risk Management During Bull and Bear Markets

(Profs. Claudia Champagne and Frank Coggins ; students : Philippe-Olivier Blanchet ; Stéphanie Buote, fellowship ; Maxime Dépôt, fellowship) (2011-2014)

The recent financial crisis has underlined some practical issues related to risk management in financial institutions. The managerial and short term incentives based on past performance certainly deserve part of the blame. This research project is interested in certain portfolio managers' behavior in terms of risk management that may not be suitable for the investor. More specifically, we study risk exposure based on the managers' past performance rankings during bull and bear markets. For instance, according to their best interests, do worst performers increase their risk exposure while best performers copy their benchmark portfolio?

Master Degree students : Stéphanie Buote, Maxime Dépôt, Guillaume Lamoureux-Bélair

The Effect of Pension Fund Freeze on Firm Performance and Risk

(Profs. Claudia Champagne et Frank Coggins) (2011-2013)

Pension funds are a major part of the financial sector in most developed countries and, along

with social security and personal savings, typically represent one of the pillars of retirement income for the population. However, in the private sector, where the company decides to initiate and sponsor such a fund, firms appear to shirk from the commitment. Specifically, in recent years, defined benefit (DB) plans, which are associated with the most financial commitment and risk for the employer, are either cancelled or frozen by corporations who feel they are too expensive and too risky to maintain (Butrica et al., 2009). We study the impact of pension plan freeze announcements on firm performance, beta and specific risk using a new conditional event study methodology. Preliminary results show that fund freezes decrease specific risk for a significant number of firms, indicating that the market views them as part of a solution to financial problems. Publication no 9.  
Master Degree Student : Magali Point.

#### Conditional Return-Based Style Analysis

(Profs. Frank Coggins and Marc-André Lapointe) (2011-2013)

It is acknowledged in the financial literature that investment styles advertised by mutual funds are often incomplete or erroneous. The literature suggests that 40% of mutual fund styles are different from those estimated with observable past returns [Brown et Goetzmann (1997)]. As a consequence, investors rely on this information to apply optimal mutual fund weights based on their risk preferences. In this context, Sharpe (1992) has proposed a *Return-Based Style Analysis* where style measures are estimated from a constrained regression. We propose and apply a conditional framework to the Sharpe (1992) model. The major innovation is that this conditional framework allows for time varying investment style analysis based on new financial information.  
Master Degree students : Philippe Ingham, Marc-André Coulombe.

#### The Estimation and the Forecast of the American and the Canadian Market Risk Premiums

(Profs. Frank Coggins and Claudia Champagne) (2012-2014)

Conceptually, forecast models as well as conditional models are based on the asset pricing theory proposed by Merton (1973) with its intertemporal model. There is a debate in the academic literature on the performance of this model or related ones. Our studies on the estimation and the forecast of the risk premium are central to this debate. Our studies also contribute to develop an adequate econometric framework to analyze the effect of financial integrity or financial crime on firm risk and performance. The impacts of financial frauds, pension fund freezes and environment, social and governance events on stock returns are issues that are directly related to the appropriate estimation and forecast of the market risk premium.

Master Degree students : Philippe-Olivier Blanchet, Maxime Lemay-Crilly.

## **LEGAL THRUST**

Given the legal issues related to criminal activities and the methods used to combat them, this thrust is complementary to the financial thrust. The legal thrust plays a critical support role in analyzing fraudulent financial operations. Its purpose is to recommend certain bills and regulations or to develop new analysis tools.

2009-2011 : Research project entitled « *Legislative changes about penalties imposed to convicted fraud offenders* ». Prof. Marie-Pierre Robert (student: William Lemay). Publication no 10.

2009- : Research project dealing *with passive complicity of professionals* (lawyers, accountants) in fraudulent affairs. Prof. Simon Roy (students: Mélanie Robert, fellowship ; Leila Belgharras).

2012- : Research project about the *legal liability of organizations in matters of economic crime*.

## PROCEDURAL THRUST

This research thrust consists in developing compliance plans and control instruments for businesses and financial institutions to protect themselves against criminal activities.

The relationship between negative reputational events, ESG (environmental, societal and governance) criteria and financial crimes

(Claudia Champagne and Frank Coggins)(2012-2015)

In this project, we wish to analyse the impact of ESG criteria on the probability of occurrence of an unfavorable event which can damage a firm's reputation, such as non-ethical behaviors of executives and/or employees, frauds, environmental catastrophes, etc. Results should allow us to answer the following question: do firms with high ESG criteria have significantly lower probabilities of experiencing an unfavorable event than lower-ESG-criteria firms?

Post-doctoral student : Amos Sodjahin

Master Degree student : Maxime Brisebois-Lemelin.

Contagion risk and the syndicated loan market

(Claudia Champagne) (2012-2015)

Syndicated loans can help lenders diversify their loan portfolio or meet regulatory requirements but they also lead to increase connections between financial institutions. This project studies the impact of the international syndicated loan market on contagion and systemic risk within the financial sector. We focus on the concentration and homogeneity of loan portfolios for Canadian financial institutions. To that effect, we use a variety of measures such as network analysis, correlations, co-integration and distance measures. Publications no 11-12.

Master Degree students : Nokan Konan Hagouagn'Rin and Line Drapeau

Financial innovation, prudential regulation and risk management

(Claudia Champagne)(2011-2015)

The objective of this project is to study the relationship between risk management, governance and conformity via financial innovation. Specifically, we focus on national and international regulatory measures surrounding risk management via securitization and analyse the impact of this regulation on operational risk. We are particularly interested in the Canadian market, which may have proven more sound and stable during and after the financial crisis but in which

securitization still play an important role in the diversification of portfolios, the mortgage market and the efficiency of capital markets.

DBA Student : Nébiha Zouari

## **II- SUPERVISING GRADUATE STUDENTS (Master and DBA degrees)**

You will find here graduate students involved in the 2011-2012 CIBC Research Chair program. Such students have received financial support as research assistants under the supervision of a member of the Research Chair (the names of the students are underlined). Their contributions are described in the section I (literature reviews ; data bases). We are providing here the title of the research project, the degree (DBA, Master degree) and the name of the supervisor. Papers which have been presented by graduate students in academic colloquia are identified in the section III.

### **GOVERNANCE THRUST**

#### **DBA**

Oussama Abdallah : « La prise en compte par les investisseurs institutionnels des pratiques de gouvernance des entreprises » (Sylvie Berthelot, dir.).

Pierre Pawliw, « L'engagement des gestionnaires face au programme d'éthique » (Michel Dion, dir.).

Caroline Talbot : « La validité des éléments d'information divulgués dans les prospectus d'appel à l'épargne » (Sylvie Berthelot, dir.).

### **FINANCIAL THRUST**

#### **Post-doctoral student**

Amos Sodjahn (Ph.D. Paris Dauphine), « L'utilisation des méthodes conditionnelles dans les études événementielles en finance », (Frank Coggins and Claudia Champagne, dir.).

#### **Master Degree**

Philippe Ingham, « Évaluation conditionnelle des styles des gestionnaires » (Frank Coggins and Marc-André Lapointe, dir.). Degree awarded in 2010 (M. Sc. Finance)

Marc-André Coulombe, « Évaluation des styles d'investissements » (Frank Coggins and Marc-André Lapointe, dir.). Degree awarded in 2011 (M. Sc. Finance)

Magali Point, « Effet du gel d'une caisse de retraite sur la valeur et le risque de l'entreprise » (Frank Coggins and Claudia Champagne, dir.). Degree awarded in 2011 (M. Sc. Finance).

Maxime Dépôt, « L'effet de tournoi en gestion de portefeuille » (Frank Coggins and Claudia Champagne, dir.).

Stéphanie Buote, « L'effet de tournoi en gestion de portefeuille : une évaluation ex-ante des mesures de risque et des primes de marché » (Frank Coggins and Claudia Champagne, dir.).  
Degree awarded in 2012 (M. Sc. Finance).

## **LEGAL THRUST**

### **Ph.D. in Law**

Mélanie Robert, « Le secret bancaire et la lutte contre la criminalité financière », (Simon Roy, dir. ; Marie-Pierre Robert, co-dir.).

### **Master Degree in Law**

William Lemay, « La compatibilité des diverses sanctions juridiques possibles en matière de criminalité financière » (Simon Roy, dir.).

Diana Maciel-Pereira, « L'analyse comparée de la législation italienne et de la législation canadienne en matière de recyclage des produits de la criminalité » (Simon Roy, dir.).

## **PROCEDURAL THRUST**

### **DBA**

Nébiha Zouari, « Risque, réglementation et innovation financière ». (Claudia Champagne and Marc-André Lapointe, dir.).

Didier Rakotomalala, « Le risque opérationnel » (Claudia Champagne, dir.)

### **Master Degree**

Line Drapeau, « La contagion des portefeuilles de prêts des banques canadiennes » (Frank Coggins and Claudia Champagne, dir.).

Lamiaa Belkad, « Analyse du réseau du marché du capital de risque canadien » (Claudia Champagne, dir.).

Nokan Konan Hagouagn'rin, « La structure du réseau des prêteurs syndiqués internationaux » (Claudia Champagne, dir.). Degree awarded in 2012 (M. Sc. Finance).

Magali Point, « Effet des gels de caisses de retraite sur le risque et le rendement des entreprises » (Frank Coggins and Claudia Champagne, dir.).

Dany Bernier, « VaR Models : a U.S. market multivariate analysis » (Frank Coggins and Claudia Champagne, dir.). Degree awarded in 2011 (M. Sc. Finance).

Philippe Germain-Gauvin, « Modèles de décomposition de la Valeur à Risque par simulations historiques » (Frank Coggins and Claudia Champagne, dir.). Degree awarded in 2011 (Finance).

### III- PUBLICATIONS

The publications of the chairholder and collaborators have contributed to advance our knowledge and understanding of various aspects of financial crime (particularly about corruption and cybercrime), corporate governance and ethical leadership. In that way, they constitute social and academic contributions to the society as well as the academic community. The names of the students are underlined.

#### GOVERNANCE THRUST

##### (a) Corruption and financial crime

###### Books

- 1- Dion, Michel, *Éthique et criminalité financière*, Paris, Coll. « Finances publiques », L'Harmattan, 2011.
- 2- Dion, Michel, *L'être et le crime*, Québec, Nota bene, 2012.

##### (b) Corporate Governance and Ethical Leadership

###### Articles in Scientific Journals

- 3- Berthelot, S., Di Vito, J. and Gagné, V., «Evaluating The Performance of Board Members: A Portrait of Canadian Firms», *Corporate Ownership & Control*, Volume 8, n. 3, 2011, p 86-93.
- 4- Berthelot, S., Morris, T. and A. Desfleurs, «Pertinence des modalités de présentation et de comptabilisation des régimes d'options d'achat d'actions», *Comptabilité Contrôle Audit*, vol. 17, no. 2, 2011, p. 37-58.
- 5- Berthelot, S., Morris, T. and C. Morrill, «Corporate Governance Rating and Financial Performance: A Canadian Study», *Corporate Governance: The International Journal of Business in Society*, vol. 10, no. 5, 2010, p. 635-646.
- 6- Dion, Michel, “Are Ethical Theories Relevant for Ethical Leadership?”, *Leadership & Organization Development Journal* (England), vol. 33, no 1, 2012, p. 4-24.
- 7- Fortin, A. and Berthelot, S., «MD&A Risk Disclosures and Nonprofessional Investors' Perceptions and Investment Decisions», *Advances in Accounting Behavioral Research*, vol. 15, 2012, p. 1-28.
- 8- Serret, V. and S. Berthelot, «Naissance de l'activisme actionnarial au Canada : un portrait de l'évolution des projets de résolution de 2000 à 2009», *Revue française de gouvernance d'entreprise*, n. 10, 2011, pp. 67-91.

## FINANCIAL THRUST

### Articles in Scientific Journals

9- Champagne, C., S. Chrétien and F. Coggins (2012), « The Impact of Pension Fund Freezes on Firms' Systematic and Specific Risk », *Global Review of Accounting and Finance* 3, 43-52.

## LEGAL THRUST

### Articles in Scientific Journals

10- Marie-Pierre Robert and William Lemay, «Le régime de détermination de la peine en matière de fraude : étude des modifications législatives visant la dissuasion» (2011) *70 Revue du Barreau* : 243-270

## PROCEDURAL THRUST

### Articles in Scientific Journals

11- Champagne, C. and Frank Coggins. « Common Information Asymmetry Factors in Syndicated Loan Structures », *Journal of Banking and Finance* 36, 2012, p. 1437-1451.

12- Champagne, C. and Frank Coggins. « Information Asymmetry in Syndicated Loans : the Cost of the Distribution Method, *International Proceedings of Economic Development and Research*, vol. 11, 2011, p. 201-206.

13- Dion, Michel, «The Moral Discourse of Banks about Money Laundering : An Analysis of the Narrative from Paul Ricoeur's Philosophical Perspective », *Business Ethics. A European Review*, vol. 21, no 3, June 2012, p. 251-262.

## IV- ACADEMIC COLLOQUIA

- The name of students who have been hired as research assistants is underlined.

### GOVERNANCE THRUST

Fortin, A. et S. Berthelot, «Annual Report Risk Disclosures and Nonprofessional Investors' Judgments and Decisions», 31<sup>ème</sup> Congrès de l'Association francophone de comptabilité (AFC), Nice, France, (2010).

Talbot, Caroline, Anne-Marie Robert et Julien Bilodeau, “Regulatory Disclosure – A Look at the Responsibilities of Audit Committee”, 8th Spanish Conference on Social and Environmental Accounting (Spanish CSEAR) –July 2011.

Therrien, V, Berthelot, S. et T. Morris, «Pertinence de la divulgation d'information sur la juste valeur des instruments financiers selon le chapitre 3860 de l'Institut canadien des comptables agréés (ICCA)», 40<sup>th</sup> Atlantic Schools of Business Conference, Halifax, Nouvelle-Écosse (2010).

### FINANCIAL THRUST

Champagne, C. and Frank Coggins. « Common Information Asymmetry Factors in Syndicated Loans » - Annual Conference of the Pacific Basin Finance, Economics, Accounting and Management, Taipei, Taiwan, July 2011.

Champagne, C. and Frank Coggins. « Information Asymmetries in the Syndicated Loan Market : the Cost of the Distribution Method », - International Conference on Financial Management and Economics, Hong Kong, July 2011. Prix d'excellence.

Champagne, C. and Frank Coggins. « Common Information Asymmetry Factors in Syndicated Loans » - Annual European Conference of the Financial Management Association, Porto, Portugal, June 2011.

Coulombe, M.-A., 2011, « Évaluation des styles d'investissement », Symposium on applied finance in socially responsible contexts (GReFA-ACFAS 2011), Sherbrooke, Canada, May 2011. (Frank Coggins and Marc-André Lapointe, dir.)

Ingham, P., 2011, « Évaluation conditionnelle des styles des gestionnaires », Symposium on applied finance in socially responsible contexts (GReFA-ACFAS 2011), Sherbrooke, Canada, May 2011. (Frank Coggins and Marc-André Lapointe, dir.)

Point, M., 2011, « Effet du gel d'une caisse de retraite sur la performance et le risque d'une entreprise », Symposium on applied finance in socially responsible contexts (GReFA-ACFAS 2011), Sherbrooke, Canada, May 2011. (Claudia Champagne and Frank Coggins, dir.)

## V- TRAINING SESSIONS AND NON-ACADEMIC SYMPOSIUM

### LEGAL THRUST

Marie-Pierre Robert, « La détermination de la peine en matière de fraude : l'impact du projet de loi C-21 », paper presented at the Symposium on Criminal Law, Barreau de St-François, Sherbrooke, May 20th 2011.

Simon Roy, « Quelques défenses sous-utilisées... et les jugements qui pourraient leur ouvrir la porte », paper presented at the Symposium on Criminal Law, Barreau de St-François, Sherbrooke, May 20th 2011.

Simon Roy, « La responsabilité criminelle et pénale des entreprises en matière d'activités économiques », paper presented at the Fourth Symposium on Fraud Prevention, Longueuil, March 23rd 2012.

Simon Roy, « L'ABC du régime des produits de la criminalité et des biens infractionnels », training sessions given at the Barreau du Québec (Montréal, Gatineau, Saguenay, Témiscamingue and Drummondville).

Simon Roy, « Le droit criminel économique : jurisprudence nouvelle et changements législatifs récents », training sessions given at the Barreau du Québec (Montréal, Québec and Trois-Rivières).

## **VI- SOCIAL INVOLVEMENT**

### **FINANCIAL THRUST**

Champagne C., F. Coggins and M.-A. Lapointe, 2010, « Ensuring the Ongoing Strength Of Canada's Retirement Income System through Sound Governance and Risk Management: A Principles-Based Approach », Mémoire rendu public dans le cadre d'une consultation pour le Ministère des Finances du Canada pour maintenir la solidité du système de revenu de retraite du Canada.

### **PROCEDURAL THRUST**

Bellemare, G., Champagne, C., Coggins, F., Desrochers, J., Préfontaine, J. et Trudel, Y. (2012). « Consultation AMF sur l'indemnisation de consommateurs de produits et services financiers », Mémoire public dans le cadre d'une Consultation de l'Autorité des Marchés Financiers (AMF).

Champagne, C. et Frank Coggins (2012). « Club Deals vs Syndications: The Cost of the Distribution Method », Cahier du GReFA, Université de Sherbrooke.

## **VII- COLLABORATORS**

The collaborators include the regular professors as well as students listed in section II.

Michel Dion, Chairholder

(The Chairholder is mainly involved in the governance thrust, although he also participates in the other research thrusts of the Chair).

### **GOVERNANCE THRUST**

Anne-Marie Robert, Responsible for the Governance Thrust (Accounting)

Sylvie Berthelot (Accounting)

Denyse Rémillard (Finance)

Michel Dion (Management)

Michel Fortier (Management) (UQAR)

### **FINANCIAL THRUST**

Frank Coggins, Responsible for the Financial Thrust (Finance)

Yves Trudel (Finance)

Anastassios Gentzoglanis (Finance)

### **LEGAL THRUST**

Simon Roy, Responsible for the Legal Thrust (Fac. Law)

Marie-Pierre Robert (Fac. Law)

### **PROCEDURAL THRUST**

Claudia Champagne, Responsible for the Procedural Thrust (Finance)

### **ASSOCIATE COLLABORATORS**

Jessica Lévesque (Information systems ; statistics)

Marc-André Lapointe (Finance)

Stéphane Chrétien (Finance, Université Laval)