

New
Nouveau  Brunswick

IN THE MATTER OF THE SECURITIES ACT OF
NEW BRUNSWICK, BEING CHAPTER S-6, R.S.N.B., 1973

AND

IN THE MATTER OF HAROLD KILLAM
("KILLAM")

ORDER

(Sec 12(1)(c)(v) and 12(1)(f) of the Act)

WHEREAS the Administrator initiated certain proceedings against Harold Killam (" KILLAM ") by way of summons dated December 18, 1991 pursuant to section 21(1) of the Securities Act;

AND WHEREAS KILLAM and the Deputy Administrator entered into a Settlement Agreement dated February 15, 1992 in which they agreed to a proposed settlement of these proceedings respecting KILLAM subject to the approval of the Administrator;

AND WHEREAS KILLAM has consented to the issuance of this Order and has waived his right to a full hearing and appeal of this matter;

AND UPON HEARING the submissions of Counsel on behalf of the Deputy Administrator and Harold Killam;

AND UPON the Administrator being of the opinion that it is in the public interest to make this order;


IT IS ORDERED, pursuant to section 12(1)(c)(v) and 12(1)(f) of the Act, that:

1. the Settlement Agreement dated February 15, 1992 attached hereto, as Schedule "A", be and the same is hereby approved;

2. KILLAM 's registration as a salesman employed by a mutual fund dealer is hereby suspended from March 29, 1992 to April 11, 1992, inclusive; and
3. As a condition of reinstatement of KILLAM's registration on or after April 12, 1992, KILLAM has ~~agreed~~ ^{agreed} to voluntarily donate to the Minister of Finance \$1,500 and to pay a further sum of \$1,000. to the Minister of Finance this sum being the total costs and expenses to be recovered pursuant to section 25(2) of the Act. *DS*
4. Upon KILLAM requesting reinstatement on or after April 12, 1992 and satisfying the Registrar that the above conditions have been met, the Registrar shall so reinstate KILLAM's registration.

DATED at the City of *Saint John*
13th day of February, 1992.

Province of New Brunswick, this


DONNE W. SMITH, JR.
ADMINISTRATOR,
Securities Branch



SCHEDULE "A"

IN THE MATTER OF THE SECURITIES ACT OF
NEW BRUNSWICK, BEING CHAPTER S-6, R.S.N.B., 1973

AND

IN THE MATTER OF HAROLD KILLAM
("KILLAM")

SETTLEMENT AGREEMENT

INTRODUCTION

1. The Deputy Administrator agrees to recommend and Harold Killam "KILLAM" consents to the within settlement of the proceedings initiated by way of summons dated December 18, 1991, in accordance with the terms and conditions set out hereinafter.
2. Subject to approval of the Administrator, the Deputy Administrator and KILLAM agree to an order, pursuant to section 12(1)(c)(v) and 12(1)(f) of the Securities Act, suspending KILLAM's registration as a salesman employed by a mutual fund broker from March 29, 1992 to April 11, 1992 inclusive. KILLAM hereby agrees to voluntarily donate to the Minister of Finance the sum of \$1,600.00. This figure is the amount of the sales commissions earned by KILLAM for referring clients in respect of securities, the type of which he was not registered to sell. KILLAM also agrees to pay to the Minister of Finance the sum of \$1,000.00 which the sum represents the total amount recoverable against KILLAM pursuant to section 25(2) of the Act for costs and expenses incurred during the investigation and proceedings.

STATEMENTS OF ADMITTED FACTS


3. A statement of Admitted Facts is annexed as Schedule "A" hereto. KILLAM has certified to the Administrator that the facts set out therein are true and correct.


PROCEDURE FOR APPROVAL OF SETTLEMENT

4. The approval of the settlement as set out in this Settlement Agreement shall be sought at a public hearing before the Administrator currently scheduled for February 13, 1992.
5. If, for any reason whatsoever, the settlement is not approved by the Administrator, KILLAM will be entitled to seek such remedies as he may have at law with respect to the Hearing and proceedings herein unaffected by this Settlement Agreement or the settlement negotiations. If the settlement is not approved, the terms of the settlement agreement will not be raised in any other proceeding or disclosed to any person except with the written consent of KILLAM.
6. KILLAM agrees that he will not raise, in any subsequent proceedings, the Settlement Agreement or the process of approval as a basis for any attack on the Administrator's jurisdiction, alleged bias, alleged unfairness or any other challenge that may be available.


I have carefully read this agreement including the attached draft order and have obtained legal advice before signing this agreement.


DATED at _____, this _____ day of February, 1992.


Counsel/Witness


Harold Killam

DATED at *Saint John* this *13th* day of February, 1992.


Counsel/Witness


Deputy Administrator

SCHEDULE "A"

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("KILLAM")

STATEMENT OF ADMITTED FACTS

- 1.a) JM Veilleux Income Property Inc. ("JMV") was registered as a securities broker restricted to trading in real estate limited partnership ("RELP") on November 29, 1988. Its registration was renewed annually and has remained in effect until October 3, 1991. It initially operated under the name Veilleux Charlebois & Associates Inc.

- b) Money Concepts Group Capital Corporation ("MCGCC") was registered as a securities broker in New Brunswick on May 2, 1988. Its registration restricted it to trading in mutual funds only. The registration was renewed annually and remains in effect.

- c)i) KILLAM was registered as a securities salesperson with MCGCC's Saint John office on September 28, 1988. His registration was renewed annually and remains in effect. His registration restricted him to sales of mutual funds.

2. KILLAM

KILLAM, as a registered salesman employed by a mutual fund broker, had a duty to comply with section section 18 of Regulation 84-128 and conditions attached to his registration. KILLAM failed to do so and in particular:

a) KILLAM between November 29, 1988 and May 31, 1989 personally referred clients to JMV in Moncton and to seminars on RELPs and received a fee for such referrals which referrals resulted in trades of;

-The Longueuil Limited Partnership to:
i) Charlene Maillet

-The St Jean Limited Partnership to:
i) Margaret Kenney
ii) John Rae

-The Hunt Club Limited Partnership to:
i) Diane O'Connor


-The Juliana Limited Partnership to:
i) Gregory Wood

b) KILLAM received a total of \$1,600.00 from JMV through Macro Holdings Inc. for referring clients.

I have read this Statement of Admitted Facts and certify to the Administrator that the facts contained herein are true and correct.

DATED at this day of February, 1992.


(Witness)


Harold Killam