

IN THE MATTER OF THE *SECURITIES ACT*,  
SNB 2004, c. S-5.5,

AND

IN THE MATTER OF

**LOCATE TECHNOLOGIES INC., AND  
TUBTRON CONTROLS CORP.**  
(Respondents)

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**ORDER**

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**WHEREAS** on 25 August 2008, a Panel of the New Brunswick Securities Commission (the "Commission") approved a Settlement Agreement between Staff of the Commission ("Staff") and the Respondents (the "Settlement Agreement"), pursuant to the provisions of section 191 of the *New Brunswick Securities Act* (the "Act"); and

**WHEREAS** the Settlement Agreement provides that each of the Respondents are to seek the expedient preparation of a Disclosure Document and an Offer of Rescission and Refund satisfactory to the Regulatory Affairs Division of the Commission (the "Documents"); and

**WHEREAS** on 5 October 2009 Staff filed a motion seeking, *inter alia*, a firm date by which each of the Respondents must comply with their obligation to provide the Documents; and

**WHEREAS** the parties appeared before the Commission on 17 November 2009, and a Panel of the Commission issued an Order on 9 December 2009 ordering, *inter alia*, the Respondent Locate Technologies Inc. ("Locate") to submit to the Regulatory Affairs Division of the Commission, on or prior to 29 January 2010, the final form of the Documents as per the Settlement Agreement and the Respondent Tubtron Controls Corp. ("Tubtron") to submit to the Regulatory Affairs Division of the Commission, on or prior to 15 February 2010, the final form of the Documents as per the Settlement Agreement; and

**WHEREAS** on 17 March 2010 Staff filed a motion seeking an Order that the Commission impose such terms and conditions as the Commission considers appropriate and/or impose an administrative penalty; and

**WHEREAS** on 11 May 2010, the parties appeared before the Commission and the Commission issued an order on the same date ordering the following:

- (a) *the parties appear before the Commission at 10:00 a.m. on Wednesday, 26 May 2010; and*
- (b) *on or before 26 May 2010, the Respondent Locate shall submit to the Commission and to the Regulatory Affairs Division of the Commission, the final form of the Documents; and*
- (c) *on or before 26 May 2010, the Respondent Tubtron shall submit:*
  - (i) *confirmation of the retainer of an Auditor engaged to complete audited financial statements for the years 2007 and 2008; and*
  - (ii) *an Audit Plan showing the timeline for completion of the review; and*
  - (iii) *a timeline for the submission of the final form of the Documents; and*
- (d) *in the event that the Commission is not satisfied the Respondents have complied with paragraphs (b) or (c) of this Order, or that the Commission is not satisfied with the proposed Audit Plan and timelines, the parties shall appear before the Commission at 10:00 a.m. on 22 June 2010 to make submissions respecting the breach of the Settlement Agreement and the sanctions related thereto.*

**WHEREAS** on 26 May 2010, the Commission heard Marc C. Wagg for staff and Paul Smith for the Respondents; and

**WHEREAS** the Commission was satisfied that the Respondent Locate was in substantial compliance with paragraph (b) of the 11 May 2010 Order, but not satisfied that the Respondent Tubtron was in compliance with paragraph (c) of the 11 May 2010 Order; and

**WHEREAS** the Commission is of the opinion that it is the public interest to make this Order;

**NOW THEREFORE IT IS HEREBY ORDERED THAT:**

- (a) the parties appear before the Commission at 10 am on Tuesday 22 June 2010; and
- (b) with respect to the Respondent Locate:
  - (i) the Documents will contain a caveat to be finalized by 4 June 2010 in a form satisfactory to staff of the Regulatory Affairs Division of the Commission regarding the unavailability of the audited financial statements for the period ending 31 December 2009, and
  - (ii) that the Documents be delivered in accordance with paragraph 5.d. of the Settlement Agreement no later than 9 June 2010; and

(c) with respect to the Respondent Tubtron:

(i) on or before 22 June 2010, the Respondent Tubtron shall submit:

(A) a copy of a Review Engagement Letter for the review of the financial statements for the years 2007 and 2008; and

(B) a plan showing the timeline for completion of the review; and

(C) a timeline for the submission of the final form of the Documents; and

(ii) in the event the Respondent Tubtron does not comply with the above to the satisfaction of the Panel, the parties will make submissions and present evidence with respect to the appropriateness of including unaudited financial statements with the Documents; and

(d) in the event that the Commission is not satisfied that the Respondents have complied with paragraphs (b) or (c) of this Order or that the Commission is not satisfied with the proposed timelines submitted under paragraph (c) of this Order or the appropriateness of including unaudited financial statements with the Documents, the parties shall make submissions respecting the breach of the Settlement Agreement and the sanctions related thereto.

**DATED** at the City of Saint John this 26th day of May 2010.

"original signed by"  
Anne La Forest, Panel Chair

"original signed by"  
Céline Trifts, Panel Member

"original signed by"  
Denise A. LeBlanc, Panel Member

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