

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 LOWELL LOVEDAY
("LOVEDAY")

ORDER

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

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

AND WHEREAS LOVEDAY and the Deputy Administrator entered into a Settlement Agreement dated February 13, 1992 in which they agreed to a proposed settlement of these proceedings respecting LOVEDAY subject to the approval of the Administrator;

AND WHEREAS LOVEDAY 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 Lowell Loveday;


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 13, 1992 attached hereto, as Schedule "A", be and the same is hereby approved;

2. LOVEDAY 's registration as a salesman employed by a mutual fund dealer is hereby suspended from April 19, 1992 to May 2, 1992 inclusive; and
3. As a condition of reinstatement of LOVEDAY's registration on or after May 3, 1992, LOVEDAY has agreed to voluntarily donate to the Minister of Finance ~~\$2,000.00~~ 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.
4. Upon LOVEDAY requesting reinstatement on or after May 3, 1992 and satisfying the Registrar that the above conditions have been met, the Registrar shall so reinstate LOVEDAY's registration.

DATED at the City of *St. John* Province of New Brunswick, this
13th day of February, 1992.


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 LOWELL LOVEDAY
("LOVEDAY")

SETTLEMENT AGREEMENT

INTRODUCTION

1. The Deputy Administrator agrees to recommend and Lowell Loveday "LOVEDAY" 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 LOVEDAY agree to an order, pursuant to section 12(1)(c)(v) and 12(1)(f) of the Securities Act, suspending LOVEDAY's registration as a salesman employed by a mutual fund broker from April 19, 1992 to May 2, 1992 inclusive. LOVEDAY hereby agrees to voluntarily donate to the Minister of Finance the sum of \$2000.00. This figure is the amount of the sales commissions earned by LOVEDAY for referring clients in respect of securities, the type of which he was not registered to sell. LOVEDAY also agrees to pay to the Minister of Finance the sum of \$1,000.00 which sum represents the total amount to be recovered against LOVEDAY 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. LOVEDAY 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, LOVEDAY 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 LOVEDAY.
6. LOVEDAY 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 *St John*, this *13* day of February, 1992.


Counsel/Witness


Lowell Loveday

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


Counsel/Witness


Deputy Administrator

SCHEDULE "A"

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("LOVEDAY")

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) LOVEDAY was registered as a securities salesperson with MCGCC on February 13, 1990. His registration restricted him to trading in mutual funds. He worked from the Moncton office until transferring to the Chatham office. His registration was renewed annually and remains in effect.

2. LOVEDAY

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

- a) LOVEDAY between November 29, 1988 and December 31, 1990 personally referred clients to JMV in Moncton and to seminars on RELPs and received a fee for such referrals which resulted in trades of;

-The Windsor and Company Limited Partnership to:
i) John Bryenton

-The St Jean Limited Partnership to:
i) Larry Haley
ii) Robert Daigle
iii) Barbara Eagles-Loveday

- b) LOVEDAY received a total of \$2000.00 from JMV through Macrob 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 *St. John*, this *13* day of February, 1992.


(Witness)


Lowell Loveday