



**In the Matter of
*The Securities Act, 1988, S.S. 1988, C. S-42.2***

and

In the Matter of

Joseph Scott Banbury

Settlement Agreement

Introduction

1. The Director, Securities Division (the Director) of the Financial and Consumer Affairs Authority of Saskatchewan (the Authority) issued a Statement of Allegations dated July 12, 2012 (the Statement of Allegations) against Joseph Scott Banbury (the Respondent) in which it was alleged that the Respondent engaged in specified activities that were contrary to the public interest and in contravention of *The Securities Act, 1988* (the Act).
2. This Settlement Agreement has been reached between the Respondent and the Director to dispose of the allegations against the Respondent set out in the Statement of Allegations.
3. The Respondent and the Director acknowledge that this Settlement Agreement is subject to the approval of the Authority and, if approved by the Authority, it will be published on the Authority's website.
4. The terms of this Settlement Agreement shall be treated as confidential by the Director and the Respondent until it is signed by them and approved by the Authority and may not be disclosed to any person except with the consent of the Director and the Respondent or as required by law.
5. The Respondent and the Director agree that paragraph 14 of this Settlement Agreement represents undertakings by the Respondent to the Director under section 55.15 of the Act.

The Respondent

6. The Respondent is a resident of Regina, Saskatchewan. At all relevant times, the Respondent was registered with the Authority as a dealing representative of a mutual fund dealer. His registration as a dealing representative was suspended with effect from May 25, 2012.

Contravention of subsection 33.1(1) of the Act

7. On April 29, 2008 the Respondent advised [REDACTED] of Regina, Saskatchewan to invest \$50,000 in the securities of Spruce Ridge Capital Inc. (Spruce Inc.) and to declare in a representation letter which the Respondent prepared on behalf of [REDACTED] that she had net assets, alone or with a spouse, exceeding \$400,000 thereby qualifying her as an eligible investor as required by section 2.9 of National Instrument 45-106 *Prospectus and Registration Exemptions* (NI 45-106).
8. On April 29, 2008 the Respondent advised [REDACTED] to invest \$20,000 in the securities of Stoneset Equities Ltd, (Stoneset Ltd) and to declare in a representation letter which the Respondent prepared on behalf of [REDACTED] that she had net asset, alone or with a spouse, exceeding \$400,000 thereby qualifying her as an eligible investor as required by section 2.9 of NI 45-106.
9. On April 30, 2008 the Respondent advised [REDACTED] of Regina, Saskatchewan to invest \$35,000 in the securities of Spruce Inc. and to declare in a representation letter which the respondent prepared on behalf of [REDACTED] that she had net asset, alone or with a spouse, exceeding \$400,000 thereby qualifying her as an eligible investor as required by section 2.9 of NI 45-106.
10. On April 30, 2008 the Respondent advised [REDACTED] to invest \$10,000 in the securities of Stoneset Ltd, and to declare in a representation letter which the Respondent prepared on behalf of [REDACTED] that she had net asset, alone or with a spouse, exceeding \$400,000 thereby qualifying her as an eligible investor as required by section 2.9 of NI 45-106.
11. The Respondent acted unfairly, dishonestly and without good faith in qualifying [REDACTED] and [REDACTED] as eligible investors because the Respondent knew or reasonably ought to have known that [REDACTED] and [REDACTED] did not qualify as eligible investors.
12. In giving the advise outlined in paragraphs 7 to 10 above, the Respondent acted unfairly, dishonestly and without good faith and therefore contravened subsection 33.1(1) of the Act.
13. The Respondent co-operated with the staff of the Authority in relation to this matter.

Undertakings by the Respondent

14. The Respondent hereby undertakes, agrees and consents, effective the date of execution of this Settlement Agreement:
- (a) that all of the facts set out in paragraphs 1-13 above are true;
 - (b) that there are no material facts related to these matters that are not set out in paragraphs 1-13 above;
 - (c) to waive his right to the hearing in this matter or to any other hearing and/or appeal with respect to this matter;
 - (d) to dispose of this proceeding by agreement without a hearing pursuant to section 135.3 of the Act; and
 - (e) to the issuance of an order by the Authority in substantially the form attached hereto as Appendix 'A' ordering as follows:
 - i. that the Respondent cease advising in Saskatchewan with respect to securities or exchange contracts indefinitely;
 - ii. that the Respondent cease trading in Saskatchewan with respect to securities or exchange contracts indefinitely except for his own account or in an account held jointly with his wife; and
 - iii. that the Respondent be prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager indefinitely.

Director's Agreement

15. Based on the above facts and undertakings, the Director hereby agrees that the sanctions set out in subparagraph 14 (e) above are the only sanctions the Director will seek to have the Authority impose upon the Respondent with respect to the matters set out in the Statement of Allegations, provided that nothing shall prohibit the Director from considering and dealing with any matter not set out in the Statement of Allegations or any new complaint brought to the Director's attention against the Respondent.

Execution of Settlement Agreement

16. This Settlement Agreement may be signed in one or more counterparts and together shall constitute a binding agreement.
17. A facsimile copy of any signature shall be effective as an original signature.

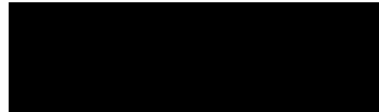
IN WITNESS WHEREOF

Joseph Scott Banbury has executed this Agreement on this 21st day of December, 2012

SIGNED in the presence of:



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Joseph Scott Banbury /

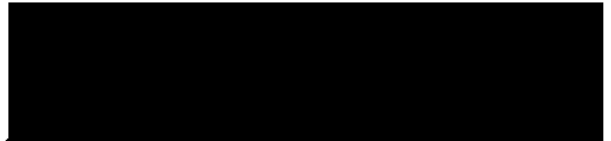
The Director has executed this Agreement on this 21st day of December, 2012.

SIGNED in the presence of:



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Ola Ben-Ajayi /



Dean Murrison
Director
Securities Division



In the Matter of
The Securities Act, 1988, S.S. 1988, C. S-42.2 (the Act)

and

In the Matter of
Joseph Scott Banbury

Order

(Pursuant to Sections 134 and 135.3 of the Act)

WHEREAS Joseph Scott Banbury (the Respondent) and the Director, Securities Division (the Director) of the Financial and Consumer Affairs Authority of Saskatchewan (the Authority) have entered into a settlement agreement dated December 21, 2012 (the Settlement Agreement), the original of which is attached hereto as Appendix 'A',

AND WHEREAS an application has been received by the Authority from the staff of the Authority for an order (the Order) pursuant to section 134 of *The Securities Act, 1988, SS 1988, c. S-42.2 (the Act)* that:

- i. the Respondent cease advising in Saskatchewan with respect to securities or exchange contracts indefinitely;
- ii. the Respondent cease trading in Saskatchewan with respect to securities or exchange contracts indefinitely except for his own account or in an account held by his wife; and
- iii. the Respondent be prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager indefinitely.

AND WHEREAS proceedings may be disposed of by the Authority by agreement without a hearing pursuant to section 135.3 of the Act;

AND WHEREAS the Authority has approved the Agreement;

AND WHEREAS the Respondent has waived any right to a hearing or appeal and has consented to the issuance of this Order;

AND WHEREAS the Authority is of the opinion that it is in the public interest to make this Order;

THE AUTHORITY HEREBY ORDERS pursuant to section 134 of the Act that:

- i. the Respondent cease advising in Saskatchewan with respect to securities or exchange contracts indefinitely;
- ii. the Respondent cease trading in Saskatchewan with respect to securities or exchange contracts indefinitely except for his own account or in an account held by his wife; and
- iii. the Respondent be prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager indefinitely.

DATED at Regina, Saskatchewan January 10, 2013

A large black rectangular redaction box covering the signature of Peter Carton.

Peter Carton
Hearing Panel Chairman
Financial and Consumer Affairs Authority of
Saskatchewan