October 10, 2007

IN THE MATTER OF: THE SECURITIES ACT

- and -

IN THE MATTER OF: JORY CAPITAL INC. and
PATRICK MICHAEL COONEY

REASONS FOR DECISION
OF
THE MANITOBA SECURITIES COMMISSION

Panel:

Chair:	Mr. D.G. Murray
Commission Members:	Ms. L.M. McCarthy Mr. J.W. Hedley

Appearances:

Mr. A. Werbowski	)	Counsel for the Investment Dealers Association
Mr. A. Stacey	)	On behalf of all Respondents
Ms. K. Blatz	)	

Background

On February 8, 2005 the Investment Dealers Association of Canada ("IDA") issued a Notice of Hearing to Jory Capital Inc. ("Jory), Patrick Michael Cooney ("Cooney") and Rees Merthyn Jones ("Jones") wherein it was alleged that Jory, Cooney and Jones contravened certain by-laws of the IDA as a result of which they became liable for sanctions to be imposed by a hearing panel of the IDA which was scheduled to convene on April 5, 2005.

Those contraventions were stated to be as follows:

As to Jory:

1. During the period June 2004 or thereabouts, Jory violated certain Early Warning Restrictions placed upon it by the Association by paying an advance in the sum of Ten Thousand ($10,000.00) Dollars to Mr. Cooney, a director and officer of Jory at the time, contrary to Association By-law 30.3(iv)(iii).

As to Cooney:

2. During the period June 2004 or thereabouts, Mr. Cooney, a director and officer of Jory, violated certain Early Warning Restrictions placed upon it by the Association by requesting and permitting the payment of an advance in the sum of Ten Thousand ($10,000.00) Dollars to himself, contrary to Association By-law 30.3(iv)(iii) and thereby engaged in conduct that was unbecoming or detrimental to the public interest contrary to Association By-law 29.1.

As to Jones:

3. During the period June 2004 or thereabouts, Mr. Jones, the chief financial officer of Jory, violated certain Early Warning Restrictions placed upon it by the Association by acquiescing in the payment of an advance in the sum of Ten Thousand ($10,000.00) Dollars to Mr. Cooney, a director and officer of Jory at the time, contrary to Association By-law 30.3(iv)(iii) and thereby engaged in conduct that was unbecoming or detrimental to the public interest contrary to Association By-law 29.1.

The IDA (the "Hearing Panel") panel met on April 5 and 6, 2005. Evidence was presented in the form of the direct testimony of three witnesses, Ms. Lynn Wittiger ("Wittiger") on behalf of the IDA as well as Cooney and Jones on their own behalf and on behalf of Jory. A number of exhibits were also received as evidence.

The Hearing Panel reserved its decision and rendered Reasons in writing dated July 28, 2005. It found that Jory, Cooney and Jones had all violated IDA By-law 30.3(iv)(iii) as alleged and that Cooney and Jones had engaged in "conduct that was unbecoming or detrimental to the public interest".

The panel reconvened November 28, 2005 to receive and consider the submissions of counsel for IDA, Jory, Cooney and Jones on the issue of sanctions to be imposed against the latter three parties. Again the panel reserved and issued Reasons for Decision dated January 5, 2006. Those sanctions can be summarized as follows:

As to Jory:
Jory was ordered to pay a fine in the amount of Twenty Five Thousand Dollars and costs in the amount of Four Thousand Dollars.
As to Jones:
Jones was ordered to pay a find in the amount of Five Thousand Dollars and costs in the amount of One Thousand Dollars.
As to Cooney:
The panel ordered that a list of "selective prohibitions" would go into effect for the period of five (5) years commencing February 5, 2006. The so-called selective prohibitions were to have the purpose of "prohibiting (or suspending as the case may be) Mr. Cooney's approval in any capacity where he might exercise significant influence over, or responsibility for, financial compliance", such capacities listed as follows:

1. Branch Manager;
2. B.C. Designated Compliance Officer;
3. Chief Compliance Officer;
4. Chief Financial Officer;
5.Designated Registered Futures Options Principal;
6.Director;
7.Designated Registered Options Principal;
8. Futures Contract Options Supervisor;
9. Officer;
10. Partner;
11. Sales Manager;
12. Ultimate Designated Person.

Along with the prohibitions, Cooney was also ordered to pay a fine of Twenty Five Thousand Dollars and costs in the amount of Seven Thousand Dollars.

Appeal to Appeal Panel

By written Notice of Appeal dated February 2, 2006, Jory and Cooney (not Jones) appealed the Decision of the Hearing Panel setting forth eight grounds for appeal. The grounds, in summary, were that the panel erred in determining that IDA By-laws had been breached by Jory and Cooney and erred in imposing the penalties described in the Decision dated January 5, 2006.

A three person hearing panel (the "Appeal Panel") was appointed and the appeal by Jory and Cooney was heard on January 16 and 17, 2007. IDA By-law 20.54 sets forth the following appellat e powers of the Appeal Panel:

1. To receive new or additional evidence as it considers just;

2.a) Affirm any decision;
b) Quash any decision;
c) Vary any decision or penalty;
d) Make any decision that could have been made by the hearing panel;
e) Extend or limit the decisions application and affect to any districts of the Association;
f) Order a new hearing; or
g) Make any order or decision that is considered just.

The Appeal Panel issued Reasons for Decision. In those Reasons the panel considered arguments raised by Jory and Cooney as to the positive finding of liability on their part and as to the penalties imposed:

A) As to liability:
1. The panel should have given effect to a defense of officially induced error;
2. The panel should not have found that Mr. Cooney violated the IDA's Early Warning Restrictions because the panel concluded that he had not acted intentionally, a defense that was not advanced before the Hearing Panel;

3. The appellants are entitled to rely on the defense of due diligence, a defense which was not advanced before the Hearing Panel;
4. The IDA had no authority to restrict payments to Mr. Cooney as it purported to do;
B) As to penalties:
The penalties are excessive and unreasonable and have the affect of being punitive rather than protective and preventative.

The Appeal Panel did admit new evidence proffered by the appellants which consisted of affidavits sworn by Cooney and by Barry McCort, a former officer of Jory. Both affidavits had the effect of implying that Jory and Cooney "had a reasonable belief in a state of facts which, if true, would have rendered appropriate and compliant the June 22nd payment to Mr. Cooney."

The Appeal Panel prefaced its analysis of the evidence with the following foundations:

a) Standard of review: "The parties are agreed that the appropriate standard of review in this appeal is that of reasonableness."

b) Standard of Proof: The proper standard of proof is that "clear and convincing evidence was necessary for a finding of fact against the appellants."

Having considered the facts and arguments relative to the grounds of appeal argued by the appellants, the Appeal Panel dismissed the appeal as to liability and found that the hearing panel came to a reasonable decision as to penalties.

Basis for this Appeal

This is an appeal from all of the foregoing decisions. The legislative basis for the appeal is subsection 31.1(4) of The Securities Act (Manitoba):
If the Commission considers it is in the public interest to do so, it may make a decision in respect of:
a) an internal regulation or proposed internal regulation of a self-regulatory organization; or
b) a direction, decision, order or ruling made under an internal regulation of the organization.
Subsections (1) and (2) of Section 29 of The Securities Act (Manitoba) state as follows:

29(1) Any person or company affected by a direction, decision, order or ruling of the director given or made under this Act or any other Act of the Legislature may, by notice in writing sent by registered mail to the commission within thirty days after the mailing of the notice of the direction, decision, order or ruling, request and be entitled to a hearing and review thereof by the commission.

29(2) Upon a hearing and review, the commission may by order confirm, quash, or vary, the direction, decision, order or ruling under review, or make such other direction, decision, order or ruling as the commission deems proper.

Reference in subparagraph 29(1) to the "Director" is deemed to include the IDA.

By virtue of subsection 31.1 of The Securities Act, the Manitoba Securities Commission has recognized the IDA as a "self-regulatory organization". Schedule A of The Securities Act Order (No. 4577 dated September 24, 2004) requires the IDA, among other things, to "provide a right of appeal to the Commission of an IDA hearing decision made in Manitoba, affecting a member in Manitoba or a client in Manitoba. The IDA agrees to cooperate fully with the Commission to facilitate the conduct of an appeal of an IDA decision made to the Commission." Schedule A to the Order, sets forth the terms and conditions upon which the IDA is entitled to act in Manitoba as an "SRO" and clearly defines the role of the Commission to oversee the regulatory functions of the IDA within Manitoba.

Jory is a Member Firm of the IDA and has been since 1999. As such, it is subject to IDA By-laws including By-law 30 which describes the "Early Warning System" and this By-law forms the backdrop for all of the facts to be examined by this panel.

The Early Warning System

The spirit and intent of the Early Warning System is not particularly controversial. The system is designed to measure the capital, profitability and liquidity position of Members and possibly to subject members to financial restrictions. The IDA uses the measurements it receives to forecast any potential for future financial difficulties on the part of the Member Firm with the intention of preventing capital deficiencies. The system is designed to protect the investing public by warding off problems which could have an impact on a member's clients or the Canadian Investment Protection Fund. IDA By-law No. 30 provides for two Early Warning Levels, Level 2 being the more serious. By-law No. 30 provides, in some detail, the tests by which a member's liquidity, capital position or profitability may be tested. It also provides that the IDA Vice-President, Financial Compliance has discretion to place a member firm into Early Warning Level 1 or 2.

Prior to the material time, Jory had been in Early Warning Level 2.

When Jory made the $10,000.00 payment to Cooney, described in the February 8, 2005 Notice of Hearing, Jory was in "discretionary" Early Warning Level 1. By-law 30 states that:
iv) If in so long as the member remains designated as being in an early warning category, it shall not without the prior written consent of the Vice- President, Financial Compliance:
1. reduce its capital in any manner including any redemption, repurchase or cancellation of any of its shares;
2. reduce or repay any indebtedness which has been subordinated with the approval of the association;
3. directly or indirectly make any payments by way of loan, advance, bonus, dividend, repayment of capital or other distribution of assets to any director, officer, partner, shareholder, related company, affiliate or associate; or
4. increase its non-allowable assets (as specified by the Vice- President, Financial Compliance) unless a prior binding commitment to do so exists or enter into any new commitments which would have the effect of materially increasing the non- allowable assets of the member.

Subparagraph 3 is the relevant provision. The IDA says that, in view of that provision, the $10,000.00 payment violated early warning restrictions. Jory and Cooney acknowledged the

existence and enforceability of the restrictions but say that, although the act was committed, they can defend the action in dispute.

As mentioned, it is not disputed that Cooney requested and received the payment of $10,000.00 paid to him by Jory on June 22, 2004. The fact that the payment was authorized by Jones is not of significant relevance aside from the allegation, to be examined further, that Cooney exerted influence over Jones, if not over all the persons in the employ of Jory. Jones also acknowledged, in a written statement dated September 15, 2004, that the payment did violate restrictions imposed upon Jory but that the payment was an "honest mistake", unintentional on Jones' part. The Appeal Panel, (not the Hearing Panel), had received evidence that purported to support Cooney's argument that he thought June 2003 was going to be sufficiently profitable to justify the $10,000.00 payment to him. This evidence was in the form of affidavits sworn by Cooney and Barry McCort. The affidavits contained descriptions of financings expected to close prior to the end of June 2004. Their evidence was that if they had in fact closed as anticipated they would have resulted in significant revenue for Jory, sufficient to bring Jory's profitability status onside the early warning restrictions. Cooney's projections proved to fall short. In fact, in May and June of 2004, Jory experienced total losses of approximately $220,000.00. The $10,000.00 payment was clearly offside.

Early Warning Restrictions

This analysis of the facts takes us to a series of discussions, or correspondence by letter or email, beginning in December of 2003, the month in which Jory was placed in discretionary Early Warning Level 1.

On December 12, 2003, an email was dispatched to Cooney and another individual at Jory by Wittiger. Wittiger was at all materials times Manager, Financial Compliance of the IDA and the individual who testified in person at the April 5 & 6, 2005 hearing. She was the Financial Compliance Officer responsible for Jory and had been so since September 2, 2003. The December 12, 2003 email confirmed previous discussions to the effect that Jory's Monthly Financial Report ("MFR") for November 2003, which had not yet been filed, was likely to show that Jory was going to be removed, as a result of its profitability, from Early Warning Level 2 status. The email went on to say that Jory would however be placed in discretionary early warning to allow the IDA to continue to track Jory's progress. Among other things, it also stated that IDA would allow Cooney to be "bonused" based on the month's profit before tax. The percentage of such bonus was to be reviewed and approved by Jory's advisory board and CFO.

The email was followed up by a letter dated December 22, 2003 over the signature of Warren H. Funt, Vice-President, Western Canada Member Regulation. This letter (the "December 22, 2003 Letter") is the instrument which describes the particular restrictions within which Jory was intended to operate as of its promotion, as it were, to discretionary Early Warning Level 1. It therefore has as much bearing on this process as the relevant IDA By-laws and legislation. It restates the restrictions described in IDA By-law 30.3(iv), particularly (iii): "directly or indirectly make any payments by way of loan, advance, bonus, dividend, repayment of capital or other distribution of assets to any director, officer, partner, shareholder, related company or affiliate…………". However, under the title "Exceptions granted to the restrictions noted above"

the December 22, 2003 letter acknowledges certain transactions as being acceptable, including: "implementing a bonus to Patrick Cooney, to be based on pretax profit, requiring approval by the firm's advisory board. We understand this bonus will be 20% of pretax profit. Note that IDA approval of payment of these bonuses constitutes an approved exception from the restrictions of By-law 30.3(iv), and that the IDA may withdraw its approval at any time. Upon withdrawal of approval, all bonus payments to Mr. Cooney shall cease."

As previously mentioned, the December 12th Wittiger email and the December 22, 2003 Letter began a process by which the seemingly simple action by Jory of making the June 22, 2004 payment to Cooney became much more complicated.

There ensued a series of emails and telephone conversations between Wittiger and Darrin Thiessen ("Thiessen"), Jones' predecessor as Chief Financial Officer of Jory. The emails began with a request by Thiessen of Wittiger that she approve a $2,500.00 cash advance on Cooney's December 2003 commissions. Wittiger responded in the affirmative by email stating that the $2,500.00 advance fit well within the expectation that Jory's December profit would be over $60,000.00 (on a reasonably conservative basis). She went on to state that Cooney would have to repay the $2,500.00 advance if the final December statement regarding profit did not support it. In fact, on the basis of December's actual profit, Thiessen proceeded to pay an additional $5,000.00 advance to Cooney without seeking prior approval from Wittiger.

Wittiger had emailed Thiessen on January 6, 2004, prior to the making of the $5,000.00 advance stating that "as long as bonuses are paid out within the restrictions outlined in the letter (i.e. 20% of pretax profit on a monthly basis) then you would not have to keep coming back to us every month." This response to Thiessen was made because he had sought comfort from Wittiger in the absence of an active advisory board on Jory's part. The December 22, 2003 letter, as previously mentioned, had stated that any bonus to Cooney would require approval by the firm's advisory board.

Jones succeeded Thiessen as the Chief Financial Officer of Jory on April 20, 2004. Jory had experienced profitable months from January through April, 2004 and Cooney had received advances within the restrictions imposed by the IDA.

May and June, however, were bad months for Jory. In May 2004, Jory's net losses were over $10,000.00 and no payment was made to Mr. Cooney.

On June 22, 2004, Mr. Cooney requested $10,000.00 as an advance on his salary of the profits for June. At that time, Jory's books showed a loss for June of approximately $50,000.00, but, as we have mentioned, Mr. Cooney advised Mr. Jones that he projected a significant profit for June. Mr. Jones approved the $10,000.00 payment and the cheque was issued on June 22, 2004. June did not prove to be profitable, and Jory's total loss for May and June was more than $200,000.00. June's loss was more than $100,000.00.

Member Firms of the IDA are required to submit a monthly statement, called a Monthly Financial Report ("MFR") which is used by the IDA to monitor the financial health of Member Firms. Jory's MFR for May was received by the IDA Financial Compliance Office at the end of

June and triggered a string of emails between Wittiger and Jones beginning July 4, 2004, concluding July 6, 2004. Wittiger began by enquiring of Jones:
"Hi Rees, you guys came pretty close to triggering profitability this month. Did June go okay?"

"Triggering profitability" is a reference to an Early Warning test designed to caution that a firm's capital is in danger of being depleted. Jones responded by stating that May had indeed been a bad month "revenue wise" but predicted "a smaller loss in the $50,000.00 to $75,000.00 range."

Jones first July 6th email to Wittiger went on as follows:
"A point of clarification – as you know, by agreement, Patrick is entitled to 20% of pretax profit and he has been paid that to the end of April; when we have a loss month, as in May I did not set up a recovery of 20% as an amount due from him. I think I could have to more properly reflect the results for the month."
Wittiger responded, in part, as follows:
"Rees, I believe we agreed to 20% pretax profitability over the year, so last month's loss would have to be absorbed by future months' profit before Patrick gets any further profit payout. We should check the correspondence on that score."
Jones' last July 6th email to Wittiger went on as follows:
"Thanks, Lynn: For sure his 20% is annual so the losses in May and June must be covered before any payout; also, for future I will only give him an advance of the roughly after tax amount; for some reason Darrin was calculating and remitting federal tax on his behalf which would be okay if every month was going to be a profit; doing it this way and if there was a loss for the balance of the year, the feds would have tax money on his behalf instead of Jory having a cushion to recover on the losses. My way is the conservative way of handling this and helps "protect" Jory's capital by the amount of personal tax involved."
Wittiger replied, again on July 6, 2004:
"You're absolutely correct."

It is noteworthy that, as of July 6, 2004, neither Wittiger nor the IDA were aware that the June 22nd payment had been made to Cooney. Jones did not volunteer that information during the July 6th string of emails with Wittiger. Jory's MFR for June was submitted to the IDA on July 29, 2004. That filing triggered some further correspondence between Wittiger and Jones on the subject of "variable compensation". On August 3, 2004, Wittiger asked Jones, among other things, "why is there negative variable compensation?" Jones refiled the Jory MFR and it still showed $10,000.00 left in accounts receivable and not reversed out of variable comp as previously suggested by Wittiger. The result was that the revised MFR was "failed".

Jones replied:
"The variable comp as shown is correct……….the $10,000.00 was paid to Patrick on the approval of (a Jory shareholder) – Patrick apparently had a serious personal financial crunch; if necessary short term, this amount can be recovered from 2004 tax withheld through our payroll service bureau; this issue aside, the refilled MFR is accurate and representative of the actual transactions."
Later in that day, Rees emailed Wittiger suggesting that Cooney could liquidate personal assets to repay the disputed $10,000.00. It was then that Wittiger gave Jones a "heads up":

"This payment is a violation of Jory's Early Warning Restrictions. You may want to read the recent discipline of Patrick and one of the former CFOs to determine how serious this is."

This e-mail was apparently referring to the July 29, 2004 settlement in respect of prior matters involving Jory and Cooney which will be identified and discussed further

The $10,000.00 advance was repaid by Cooney on August 10, 2004. Wittiger warned that the repayment would not enable Jory and Cooney to escape disciplinary proceedings. She expressed concerns that Jory's income was being "managed" or "manipulated" in order to avoid triggering early warning on profitability tests.

An undated memo to file summarized Wittiger's conclusion over Cooney's role in the Early Warning scenario:
"It is my conclusion that Mr. Cooney cannot be relied on to comply with the rules of the IDA, whether out of incapacity due to lack of cognitive skills or whether due to unethical conduct, the result is the same. Mr. Cooney will have no ability to plead ignorance in this case because he is fully aware of the firm's EW status. Mr. Cooney should be disciplined further."

On February 8, 2005, the IDA issued the Notice of Hearing as previously described.

In these Reasons, we intend to examine not only the two defenses raised by Jory and Cooney but as well:
(a) the standard of review to be applied by this Panel; and
(b) the principle of deference.

Standard of Review

In the Reasons for Decision of the Appeal Panel, it was stated that the parties were agreed that the appropriate standard of review was that of reasonableness:

"After a somewhat probing examination, can the reasons given, when taken as a whole, support the decision?"

The Appeal Panel endorsed the parties' agreement in this respect by calling the standard of reasonableness a "pragmatic and functional approach to a review of an administrative decision."

In the final analysis, on a review of the evidence and the Reasons for Decision of the Hearing Panel, the Appeal Panel concluded that, on the issue of liability, the Hearing Panel reached reasonable conclusions based on a review of the relevant evidence and a reasoned analysis. The conclusion of the Hearing Panel therefore met the test of reasonableness according to the Appeal Panel.

The IDA understandably endorses the standard of review applied by the Appeal Panel. In its submission, the IDA submitted that "the Commission should not substitute its own view of the evidence for that taken by a self-regulatory organization just because the Commission might have reached a different conclusion. This principle suggests that as a long as the decision of the

SRO is reasonable and supported by the evidence, the Commission will not interfere with the SRO's decisions. This, it is stated by the IDA, is similar to the standard of review applied by the Appeal Panel and "consistent with sound principles of administrative efficiency and the overall scheme of securities regulation in Canada." The IDA further submitted that, in this instance, the Manitoba Securities Commission must take a "restrained approach" and cited the following as the only grounds upon which the Commission should interfere with a decision of an SRO:
1. The SRO has proceeded on an incorrect principle;
2. The SRO has erred in law;
3. The SRO has overlooked some material evidence;
4. New and compelling evidence is presented to the Commission that was not presented to the SRO; or
5. The SRO's perception of the public interest conflicts with that of the Commission.

On the other hand, the appellants argued that the Manitoba Securities Commission may exercise broader decision making powers when reviewing a decision made by an IDA panel, not tempered by the usual restrained approach under which other appellant panels must conduct their reviews. This is because the Securities Commission's mandate is to frame its analysis around what it perceives as the public interest. Moreover, this imbues the Securities Commission with an enhanced ability to quash or vary decisions made in prior instances partly because it will have a better degree of familiarity with local markets, local participants and, in general, the public interest.

This is a compelling argument and, in support of that argument, Jory and Cooney cite Section 31.1(4) of The Securities Act (Manitoba) and the case of Hretchka v. British Columbia (Attorney General) as follows:

"The extent of that hearing is indicated by the specific power given in the section not only of confirming the order or ruling of the superintendent but of making such "other direction, decision, order or ruling as the Commission deems proper" that goes far beyond appellate jurisdiction in the strict sense of deciding merely whether a lower decision be right or wrong."

It should be noted that, notwithstanding the foregoing, counsel for Jory and Cooney invite us to conclude that, in the words of counsel the decisions made in the preceding two instances were "so badly wrong" so as to make it important that we "finally get it right". That, it would appear, is an invitation to conclude that the decision of the Hearing Panel and that of the Appeal Panel failed the reasonability test. The Hretchka case, a decision of the Supreme Court, is somewhat difficult to apply on its facts because it did not involve an appeal from a decision of an independent body such as a SRO. It does however contain a useful analysis of the scope of legislation which is similar to that which is applicable in this instance. We note, in this context references to the "discretionary powers" and to the public interest test on the part of this Commission, approved and applied in Hretchka. Those references are persuasive in the present context.

Deference

We are cautioned by the IDA to accord deference to factual determinations central to the SRO's specialized competence. It is well recognized that an appellate entity such as the Commission will accord deference to decisions made by a decision-maker whose competence is enhanced by practical experience and specialized competence. This principle is especially applicable to recognized self-regulatory organizations. In theory, the representative of the SRO has practical knowledge of the breadth of or limits to the standard of care owed to the SRO or its clients. He or she is trained to recognize failures on the part of SRO members to serve their clientele in a manner befitting the industry in question.

The principle of deference is a companion to the reasonableness standard of review. When applied, appellant panels tend to step aside even if they do not necessarily agree with the decision reached, in this case by representatives of an SRO. Indeed, the Appeal Panel expressly accorded deference to the Hearing Panel in reaching its conclusion on sanctions: "bearing in mind that we should show deference to a Hearing Panel with experience in the securities industry, we are of the opinion that, on this issue, the Panel came to a decision which was reasonable in the circumstances".

The appellants are less enthusiastic about the degree of deference to be accorded to the Hearing Panel. They cite the Shambleau case (Ontario Securities Commission) and caution that deference is limited to cases where the Hearing Panel has made "factual determinations **central to its specialized competence"** (emphasis added).

In our view, this Commission is no less competent than the IDA to establish the four corners of the Early Warning Exceptions and to determine whether Jory and Cooney operated within them at the material time. The Early Warning Exceptions were expressed in writing and were aimed at Jory and Cooney, not to the members of the IDA at large. No specialized competence is required to interpret those exceptions, at least in our view.

In this instance, we agree with counsel for Jory and Cooney that the concept of deference in this matter should not restrain this Panel from making its own analysis and in particular an analysis founded in the Commission's mandated perspective on matters of public interest.

This does not mean that the Hearing Panel will not be accorded deference of a different sort. We refer to findings made with the distinct benefit and advantage of having been present for the *viva voce* evidence of Wittiger, Cooney and Jones whether under direct examination or cross examination.

This Panel has had the benefit of reading the transcript of proceedings before the Hearing Panel but the Hearing Panel had obviously been impressed, at times in a negative way, by the oral evidence of both Jones and Cooney.

Cooney's evidence relative to the propriety of the $10,000.00 payment was effectively non-responsive. Jones provided, as requested, a much more thorough analysis of the scenarios in which all "advances" had been made to Cooney. We note that the Hearing Panel rejected the portion of Jones' testimony in which he stated that he believed the June 22nd payment was

proper at the time it was made. The Hearing Panel did not believe Jones on this issue and it is difficult for this Panel to doubt that finding.

In similar fashion, the Hearing Panel concluded that the difference between the June 22nd payment and payments made during times of profitability was clear, that there was "no uncertainty" about whether the June 22nd payment was authorized by the IDA. Again, this conclusion was reached despite assertions by Jones and Cooney to the contrary.

The Defenses

The defense of officially induced error was raised at the first instance before the Hearing Panel. The defense was rejected and raised again before the Appeal Panel. The defense of due diligence was also unsuccessfully raised on appeal before the Appeal Panel.

The Appeal Panel concluded that the appellants had failed to bring themselves within the legal framework of the officially induced error defense.

The Appeal Panel also held that the defense of due diligence was not available to Jory and Cooney and that, even if it was, Jory and Cooney failed to establish the defense on the merits.

Officially Induced Error

The defense of officially induced error is reviewed in the Supreme Court of Canada case of Leviś (City) v. Tetrault wherein the elements of the defense to be proved in order to establish the defense were described as:

1. That an error of law or of mixed law and fact was made;
2. That the person who committed the act considered the legal consequences of his or her actions;
3. That the advice obtained came from an appropriate official;
4. That the advice was reasonable;
5. That the advice was erroneous; and
6. That the person relied on the advice in committing the act.

As early as January 2004, Jory was seeking the advice of an "appropriate official" of the IDA, in this case Wittiger, with respect to compliance with the December 22nd letter which stated that bonuses to Cooney would require approval of the firm's advisory board. Since Jory did not have an active advisory board in January of 2004, Darrin Thiessen said, in an email to Wittiger on January 6, 2004:
"Since we do not have an active advisory board then approval falls on the IDA for Patrick's commission payout."

Wittiger replied that indeed the issue of bonuses should go through the firm's corporate governance process "once the infrastructure is in place", ……………. but as long as bonuses are paid out within the restrictions outlined in the letter (i.e. 20% of pretax profit on a monthly basis) then you would not have to keep coming back to us every month." (**emphasis added)**

As previously discussed, there were further exchanges between Jory and the IDA on the subject of how to handle the December 22nd letter exceptions. In retrospect, payments made to and including April 2004 complied with the December 22nd letter. Counsel for Jory submits that the June 22nd payment was no different than those made in April 2004 and in preceding months except that, as events transpired, June 2004 turned out not to be profitable. In his submission, he states that it is unfair to judge the June 22nd payment retrospectively but rather to consider whether making the payment was reasonable on June 22, 2004.

In the months preceding May 2004, payments had been made to Cooney before profitability was determined. This is what happened in June of 2004. Certainly, in retrospect, the June 22nd payment ought not have been made but counsel for Jory and Cooney asserts that Jones and Cooney acted on the reasonable belief that the June payment was made on the same foundation as those made prior to May 2004, a foundation which turns out to be shaky at best because the December 22nd letter was capable of being interpreted in different ways. Note, for example, that the word "clarify" appears in Wittiger's writing on her copy of the December 22, 2003 letter. So counsel for Jory and Cooney state that it is clear now that the payments preceding May 2004 were appropriately made and it is clear now that the June 22nd payment was not. Counsel further states that they were made on erroneous advice issued by Wittiger, the appropriate official of the IDA.

The Hearing Panel found that it was reasonable for Cooney and Jory to assume that all the advances made prior to May 2004 fell within the prior written consent of the IDA. However, the Hearing Panel found that the June 22nd payment was "obviously different" from the previous advances because it was made when Jory was in a serious loss situation. The June 22nd payment was "categorically different" and that such categorical difference should have been obvious to the respondents on June 22nd. The Hearing Panel further found that there was no uncertainty about whether the June 22nd payment was authorized. Of course, Jory and Cooney dispute that finding and state that the evidence indicates that such uncertainty is only evident after the fact. In any event, the appellants have asserted that the six elements of the officially induced error defense have been made out.

Due Diligence

The defense of due diligence was developed in the Supreme Court of Canada's decision in R v. Sault Ste. Marie:
"Offences in which there is no necessity for the prosecution to prove the existence of mens rea; the doing of the prohibited act prima face imports the offence leaving it open to the accused to avoid liability by proving that he took all reasonable care. This involves consideration of what a reasonable man would have done in the circumstances. The defense will be available if the accused reasonably believed in a mistaken set of facts which, if true, would render the act or omission innocent, or if he took all reasonable steps to avoid the particular event."
The Sault Ste. Marie case further stated:
"On the other hand, the principle that punishment should in general not be inflicted on those without fault applies."

We are directed to evidence which stated that Jones and Cooney had a number of discussions in which Jones received assurances from Cooney that June would be profitable. Cooney submits evidence that he based these assurances upon reasonable prospects for substantial profit in the latter part of June 2004. In the submission of appellant's counsel, the CFO who authorized issuance of the $10,000.00 bonus was eminently qualified and had duly investigated past dealings then independently came to the assessment that the cheque could be written.

The Hearing Panel, as mentioned, found no justification for the making of the June payment but stated that "we are unable to find that he intentionally violated the rules." In the submission of the appellants, that finding alone ought to have resulted in allowing the defense of due diligence to stand.

IDA's position with respect to defenses

With respect to the officially induced error defense, the IDA submitted that the advice received by Jones on behalf of Jory relative to the making of advances was made in the context of months when profits, not significant losses were recorded. Therefore advice received in the context of profitable months applied to a different set of facts. It was not applicable to times in which losses were being experienced. The respondent referred to us the finding of the Appeal Panel that "The appellants had no reasonable basis for thinking that the June payment was authorized by the IDA. Mr. Jones himself was concerned, and well he might have been considering the total losses for May and up to June 22nd. However, he let himself be persuaded by Mr. Cooney to make the payment."

Next the due diligence defense, in the submission of the respondent, does not apply as a matter of law. This is partly because the defense only applies to "statutory offences" and refers, in support of that position, to Gordon Capital Corp. v. Ontario Securities Commission.

Further, on the facts, the appellant reminds us that the Hearing Panel, although having found that Cooney and Jory did not intentionally violate the rules, found that Cooney's behaviour surrounding the making of the $10,000.00 payment showed that he is "practically ungovernable in relation to financial compliance" and went well beyond suggesting that the payment was made innocently or inadvertently.

Those are the defenses raised by the appellants and the positions taken in respect of those defenses by the respondent IDA.

We return again to the Decision of the Hearing Panel and, on the subject of the June 22nd payment, we approve of those Reasons. The factual context of the June 22nd payment was indeed categorically different from the factual context of payments preceding May 2004. The logic applied by the Hearing Panel in this regard was unassailable. Jones, in retrospect, acknowledged that the payment ought not to have been made and it is difficult to conclude that, on June 22, 2004, he reasonably could not have known the payment should not have been made. In fact, the Hearing Panel found that he knew the payment should not have been made. Both the Hearing Panel and the Appeal Panel stated with certainty, and we agree, that the payment was made upon Cooney's urging and because Cooney was in a "financial crunch" which could only

be resolved using the $10,000.00 advance. In other words, the payment was not made on the advice of Wittiger. Tests 3 through 6 have not been met and due diligence defence fails as a result.

We are simply not prepared to accept, on the facts, that the payment was made because of an officially induced error. On the same basis we similarly cannot accept that Jones and Jory applied themselves to the due diligence criteria set forth in the R. v. Sault Ste. Marie case.

Regarding the latter defense, it is our view that, had we determined that the appellants reasonably believed in the mistaken set of facts, which we find they did not, the defense of due diligence would have been available to them notwithstanding the fact that the source of the IDA's jurisdiction over Jory and Cooney is contractual in nature, not statutory. To apply such a distinction in matters such as the one at hand would constitute a failure to recognize the spirit in which the Whistler Mountain Ski Corp. case supported the due diligence defense.

Notwithstanding that, and notwithstanding the fact that the Hearing Panel determined that Cooney did not act intentionally when he violated the Early Warning Restrictions, his actions and that of Jory were not reasonable. Relying in retrospect upon the fact that payments preceding May 2004 were made under the same standard of guidance from the IDA as the June 22nd payment is untenable. As indicated, we agree with both the Hearing Panel and the Appeal Panel. We would have analyzed the actions of the appellants in essentially the same way even though we agree with counsel for Jory and Cooney that the bonus implementation exception to the early warning status was unclear, open to a variety of interpretations and proved to be practically unworkable as profit circumstances changed over time. We remain of the view that Cooney operated outside of reasonable boundaries when he requested and received the $10,000.00 payment during a time when his firm was experiencing losses.

Sanctions

On the subject of sanctions, we are assisted by the foregoing submissions on the part of Jory and Cooney regarding the relevant standard of review.

There is also a great deal of guidance available to us by way of written guidelines and by way of the skilled submissions of counsel for the appellants and for the respondent.

At all three hearings held on the subject of sanctions Jory and Cooney argued that severely punitive sanctions could very well result in the destruction of Jory Capital Inc. as an operating investment dealer. This panel heard arguments that the hearing under The Securities Act (Manitoba) was critical for the future of Jory Capital and we were advised that the sanctions imposed were purely and simply punitive in nature. The sanctions imposed by the Hearing Panel and endorsed by the Appeal Panel were, in the words of Jory's counsel, "way out of proportion".

Aside from the overriding public interest test set forth in subsections 29(2) and 31.1(4) of The Securities Act (Manitoba), we are directed by the appellants and respondent to the IDA Disciplinary Sanction Guidelines published in January 2003 which state at page 6:

The main concerns in determining an appropriate penalty are:
1. Protection of the investing public;
2. Protection of the IDA's membership;
3. Protection of the integrity of the IDA's process;
4. Protection of the integrity of the securities market; and

The guidelines go on to state that the penalty imposed in a specific proceeding should reflect the adjudicator's assessment of the measures necessary in a specific case to accomplish these goals, ranging from a reprimand to an absolute bar, and may take into account the seriousness of the respondent's conduct and specific and general deterrence.

The Disciplinary Sanction Guidelines contain sections dealing with such matters as deterren ce and "key considerations".

Regarding general deterrence, the guidelines state that the primary purpose of a penalty is prevention rather than punishment. The same section takes aim at "members with a disciplinary history" by stating that "an important objective of the disciplinary process is to deter future misconduct by imposing progressively escalating sanctions on "repeat offenders"." Counsel for Jory and Cooney states that, of the five "main concerns" listed above, only number 5 applies, that of "prevention of a repetition of conduct of the type under consideration". Counsel states that the IDA hearing panel lost sight of the distinction between prevention and punishment in imposing the sanctions against Jory and Cooney. In response, IDA counsel urged that weight ought to be assigned to the fact that Jory and Cooney are both "repeat offenders". The fact that Cooney had previously received a $20,000.00 payment without IDA approval was, in the words of IDA counsel, the "genesis of the hearing panel's ungovernability observations."

The Hearing Panel agreed with counsel for Cooney that "appropriate sanctions must address the root cause of the problem, which in this case is Mr. Cooney's inability to follow financial compliance rules". It is instructive to review what observations the Hearing Panel actually did make in applying the guidelines to Cooney:
"We agree with counsel for Mr. Cooney that appropriate sanctions must address the root cause of the problem, which in this case is Mr. Cooney's inability to follow financial compliance rules. We find that it would be unduly punitive to suspend Mr. Cooney's registration in all categories. The evidence showed that Mr. Cooney has an unblemished 18 year registration history in sales related capacities, in contrast with his short and troubled history with financial compliance. **Since there is nothing to suggest that Mr. Cooney's other industry activities pose any danger to the public or the industry, no remedial or preventive purpose is served by suspending them.** As a purely deterrent measure, we consider such a complete suspension too severe in this case." (emphasis added)

The Hearing Panel also made reference to "Mr. Cooney's behavioural deficiencies" and to his "tendency to dominate others in relation to financial compliance". The Hearing Panel observed that Cooney is "practically ungovernable in relation to financial compliance."

With the greatest respect, the only rationale apparent to us for the statement that Cooney is "practically ungovernable" is the fact that he has a discipline history, a history which will be

examined further in these Reasons. What is troubling is that there does not appear to be any evidentiary foundation for this contention, aside from Wittiger's memo to file, to which we have previously referred, in which she concludes that Cooney's ungovernability is due either to "incapacity due to lack of cognitive skills or unethical conduct".

The Appeal Panel made reference to the Hearing Panel's finding that Cooney had a tendency to dominate others in relation to financial compliance and that he had a "domineering, manipulative approach towards Jory's CFO". The Appeal Panel stated that it would not, based on the written word, have found that Mr. Cooney was domineering or manipulative. We agree. Although the Appeal Panel recognized the Hearing Panel's entitlement to draw those inferences, we, with the greatest respect, do not. We believe that the finding that Cooney was ungovernable in matters such as those under consideration was made without a substantive evidentiary base.

It is noteworthy that, on the question of sanctions, the Appeal Panel, in essence, stood aside out of deference to the Hearing Panel because of the latter's "experience in the securities industry" and concluded that the Hearing Panel had to come to a decision which was reasonable in all the circumstances. For reasons previously stated, we are not inclined to do the same

It is our view that the only basis upon which such harsh punishment could be imposed upon Jory and Cooney was the concept of escalating sanctions. This concept does appear in the guidelines and could properly form the basis for harsher punishment than had previously been imposed upon Jory and Cooney. What is the previous disciplinary record?

In 1999 there was a two day suspension ordered against Jory arising out of Jory having deposited money with Royal Bank of Canada, a bank which had not entered into a Custodial Agreement with Jory. When Jory changed its banking arrangements whereby its new bank signed a Custodial Agreement, Jory was reinstated.

Jory and Cooney entered into a Settlement Agreement with the IDA on July 20, 2004 which did arise from similar allegations as those being considered here. Counsel for Jory argued that, during the time period described in the Settlement Agreement, Jory didn't fully appreciate the ramifications of early warning. In any event, it is argued that the Hearing Panel found that escalating sanctions should not be imposed where the breach was, as found by the Hearing Panel, unintentional and that the duration of the sanctions reflect such a degree of escalation as to be punitive in nature.

We agree with counsel's arguments but our decision in respect of sanctions is based in large proportion upon the ready availability of sanctions aimed at preventing reoccurrence of the breaches for which Jory and Cooney have been found responsible. We repeat that no authority has ever found that Cooney's malfeasance has touched on any areas in his industry other than financial compliance or compliance with IDA restrictions. To the contrary there is every indication that Cooney is a valuable member of the local investment market in which he operates and, having noted that this Commission's overriding concern is that of the public interest, we are of the view that the IDA guidelines should not be applied so as to effectively remove Cooney from a sector in which he appears to have a recognized record of competence and value to his

clients. In addition, the foreseeable results of preventing Cooney from conducting these activities on behalf of Jory would be to greatly hamper Jory in its operations or even lead to its failure.

Jory submits that it will voluntarily alter its financial compliance infrastructure by doing the following:
1. Cooney would resign from all of his offices and positions aside from Director and Chief Executive Officer of Jory;
2. Jory would immediately establish an Advisory Board the members of which would be Directors of Jory. According to the proposal, there would be two "outside" Directors including two Winnipeg people of high repute who apparently had volunteered to serve in the function which is proposed. Next Jory's Chief Financial Officer would serve as Jory's ultimate designated person. Again, the identity of the person proposed to carry out that function was specified.

Referring again to the IDA Disciplinary Sanction Guidelines voluntary rehabilitative efforts is listed as a key consideration when determining sanctions.

The guidelines, again to repeat, do state that registrants must be held accountable through enforcement action and penalties must not be "less than industry understandings would lead its members to expect" and we agree that some form of penalty must be brought to bear. However, we respectfully disagree with the Appeal Panel and agree with counsel for Jory and Cooney in finding that the sanctions imposed by the Hearing Panel were excessive when considered in their totality , so excessive that even if we were to defer to the Hearing Panel's expertise and experience in similar matters and apply a restrained standard of review, we could not agree with the outcome of the sanctions hearing.

Decision on Appeal

Mr. Cooney's counsel argued that sweeping prohibitions against his client (that in effect are so all encompassing as to belie the term "selective") are tantamount to putting Jory out of business. He states that to the local marketplace Cooney and Jory are virtually indistinguishable and to limit Cooney's role to advising clients on securities transactions for a five year period would take from Jory its strategic planning capability, its financing expertise and just as importantly, its contacts in the marketplace.

We accept counsel's position that with a small local firm like Jory the personality and presence of the founder, CEO, majority shareholder and directing mind is essential to the well-being of the firm, to clients and to those start up issuers relying on Cooney's underwriting abilities. The prohibitions placed on Cooney, if all were to be upheld, would in our opinion prevent him from taking part in certain executive level functions necessary to the operations of Jory such as negotiating with potential issuers, accredited and institutional investors and governments. These functions cannot reasonably be accommodated by the non-prohibited functions left to Cooney of advising clients on the purchase and sale of securities.

The prohibitions collectively will prevent Mr. Cooney from representing his own firm in areas such as negotiating and arranging financing for venture companies. In our opinion the removal of a key officer would not likely affect seriously a national or other large dealer. Jory, however, is

not a large dealer. We believe that the combined effect of these prohibitions could seriously harm the prospects of Jory. We do not believe this to be the intention of either of the IDA Panels. We are also of the opinion that so restricting one of the few dealers that takes part in local venture capital placement in this market is not in the public interest. This is especially so in view of the fact that Cooney and Jory's record of dealing with the public remains unblemished and the statement by the IDA Panel that heard this matter in the first instance that the breach of the IDA regulation was inadvertent or unintentional. We agree with the IDA panels that Cooney has shown too little concern with honouring the Association's financial compliance rules. We also agree that the public interest requires that there be some significant sanctions imposed. The public interest, however, can be served without incurring the reasonably foreseeable risk of putting a local dealer out of business. In this area the Commission's perception of public interest differs from that expressed by the IDA panels.

The expressed intention of the prohibitions was to prevent Cooney from being in a position where he could significantly influence or control Jory's financial compliance. He should, for a time, be restrained from having authority to direct payments that would tend to put Jory offside of its IDA requirements. This, we think, can be achieved without prohibiting Cooney from continuing to represent his firm in its dealings without outside parties and in negotiating financing arrangements, things he has done in the past without any apparent disciplinary concerns.

At the hearing, counsel for Jory and Cooney proposed that the goal of preventing reoccurrence could be accommodated by allowing Cooney to continue operating as a director and the CEO of Jory, while the balance of prohibitions remained in place. This would require setting aside the prohibitions against Cooney being a director and officer of Jory.

Counsel for Jory and Cooney argued that Cooney is the only director of Jory and as a matter of legal existence it is necessary that he so remain. As indicated Cooney is the founder and major shareholder of Jory and we accept counsel's submission that Jory would be unlikely to attract outside directors if he were not also a director. For reasons already stated we also accept the position that Jory's survival likely depends upon Cooney retaining his ability to direct and manage operations, outside of financial compliance matters. He is the CEO of Jory and he could not maintain that position if the prohibition against his being an officer were maintained. Jory remains in early warning and the IDA can craft restrictions on payments that will prevent Cooney from being in a position to initiate them without prior IDA authorization regardless of his continuing status as CEO. As indicated earlier we do not accept that there is an evidentiary basis for a finding that Cooney is ungovernable. This being the case it is certainly arguable that many if not most of the other selective restrictions are not necessary (perhaps with the exception of Ultimate Designated Person). Nonetheless the remaining selective prohibitions are not in dispute and we see no reason to consider interfering with the decisions of the IDA panels in that regard.

It was proposed on the part of Jory that steps would be taken to ensure that an advisory committee would be implemented as well as additional directors appointed to ensure appropriate corporate governance is in place for the purposes of financial compliance. As indicated earlier, the candidates had been identified. We don't consider this an issue on appeal and don't propose to

make any orders along these lines. We do, however, expect Jory and Cooney to demonstrate their good faith by following through with the actions proposed. Jory through its counsel also proposed an alternative individual to act as its ultimate designated person. Again, the identity of the new UDP is not going to be contained in an order of the Commission. The UDP should be someone acceptable to the Association. We believe that a period of 60 days should be sufficient for Jory to identify an acceptable UDP. As such, while the prohibition preventing Cooney from acting as UDP is upheld, its effect will be delayed for a period of 60 days, or until a UDP acceptable to the IDA has been put in place if that occurs within 60 days.

Counsel for Jory and Cooney argued that the fines and costs levied were unreasonably large. Jory and Cooney were fined $25,000.00 each and costs were assessed at $4,000.00 and $7,000.00 respectively.

It was argued that as the IDA Hearing Panel acknowledged that the payment improperly received by Cooney was small, posed no significant risk to the public and was repaid right after it was called into question, a cumulative fine of $50,000.00 is excessive. This, it was submitted, is particularly so in light of the Hearing Panel's finding that the violation was inadvertent.

We were referred to several IDA precedents dealing with fines and costs. In Re: Timber Hill Company (Tab 9 of the Appellant's Book of Authorities) a member firm under early warning restrictions caused $17,000.00 in bonus payments to be made to officers of the firm and due to an improper method of calculation failed to maintain its risk adjusted capital (RAC) to a level greater than zero. The IDA action was settled. The member firm was fined $40,000.00 and agreed to costs of $3,500.00. No additional sanctions were imposed on any individuals.

It was pointed out that the Hearing Panel in Timber Hill included in its consideration as to sanctions that the breaches were made in good faith and on the basis of faulty interpretation by the member and that no clients were put at risk. In the case of Jory, the firm's RAC remained in compliance and as has been noted, the breach was found to be inadvertent. It should also be noted, however, that there is no indication in Timber Hill that the member had prior infractions and as such the concept of escalating sanctions would not apply.

In Re: Jitney Corp. (Tab 11 in Appellant's Book of Authorities) the member firm, also in early warning, due to an error in calculation was offside of its RAC requirements for an extended period of time, and made trades in its own holdings that were in breach of the early warning restrictions. The fine assessed was $50,000.00 with costs of $15,000.00. The RAC deficiency at one time was nearly $2,000,000.00. There were no individual sanctions on top of the fine to any officers or directors of the member. Again, there is no indication that the infractions were anything other than a first offense.

Reference was made to Re: RBC Dominion Securities Inc. This case resulted in a settlement agreement between RBCDS and the IDA. An internal audit uncovered that in four months in 2005 RBCDS, the largest full service brokerage firm in Canada, had capital deficiencies of between approximately $240,000,000.00 and $419,000,000.00. RBCDS initiated some improved internal compliance functions and cured the capital deficiency. These steps were noted in the terms of the settlement, as well as the finding that no members of the public were put at risk as a

result of the infraction. The settlement agreement included a fine of $80,000.00 and costs of $10,000.00. No individual sanctions were given.

Obviously RBCDS was not in early warning and the infractions were not similar to the present case. Counsel for Jory and Cooney, in raising the case, pointed out that this was not the first action against RBCDS by the IDA but that no suggestion was made that escalating sanctions should be a consideration, unlike in the case of Jory and Cooney. He also pointed out that the fines and costs agreed to in that case, where the infraction involved hundreds of millions of dollars, are not much more significant than the assessments against his clients, where the infraction involved a payment of $10,000.00 and which also includes individual sanctions against Cooney.

The suggestion made was that perhaps the Association applies different standards to larger national members than it does in reviewing the conduct of small independent members. That consideration does not form a part of our review on this appeal and at any rate we find the fact situations in the two cases to be too dissimilar to make the RBC settlement a precedent for the appeal on sanctions.

The combined fines and costs assessed against Jory and Cooney total $61,000.00, a significant sum, and far greater than the amount of the bonus that was improperly paid to Cooney. Yet, the precedents provided do not suggest that this amount is unreasonable. Counsel for Jory and Cooney argues that it is the combination of financial sanctions and individual sanctions against Cooney (not present in the precedent cases) that result in unreasonableness. We cannot agree. We must take into consideration the principal of escalating sanctions and we have not been provided with anything that would justify substituting our judgment for that of the IDA Hearing Panel in the area of financial penalties.

In summary then, the IDA Hearing Panel decision is upheld with the following changes:

1. The prohibitions against Cooney acting as an officer or director of Jory are set aside; and

2. The prohibition against Cooney acting as ultimate designated person for Jory is stayed for a period of 60 days or until such time as an acceptable UDP is appointed if that occurs within 60 days.

_*"D.G. Murray"*
D.G. Murray
Chair

_*"J.W. Hedley"*
J.W. Hedley
Member

"L.M.McCarthy"
Member