

Enforcement Summary

In the Matter of The Securities Act

and in the Matter of Chase Mutual Investment Services Inc.

On September 17, 1999, Judge Collerman of the Provincial Court of Manitoba accepted the guilty plea of Chase Mutual Investment Services Inc. ("Chase Mutual") to 2 counts each of trading without registration, without prospectus, and contrary to section 159 in an investment contract, for a total of 6 counts.

Facts:

The offences arose out of Chase Mutual advertising in the Globe and Mail and thereafter distributing an investment contract which provided for an investment in Chase Mutual that guaranteed a return of 2% per month to be paid monthly by way of post-dated cheques as well as the return of the original investment, such agreement to be terminated at the option of either the investor or Chase Mutual with 90 days notice after the ninth month. Chase Mutual was not registered under the Act to trade in securities in Manitoba, nor had any exemptions been used, applied for, or granted. No monies were collected from the potential investor who had contacted Chase Mutual as a result of the advertisement and blank investment contract received by said potential investor.

Sentencing:

Chase Mutual was sentenced on September 17, 1999 pursuant to a joint recommendation for a fine in the amount of \$500.00 per count for a total fine of \$3,000.00, to be paid forthwith. Judge Collerman accepted the joint recommendation.

Note:

The two counts in respect of section 69(2), guaranteeing a return, were stayed as a result of the guilty plea to section 159 trading in an investment contract, as a result of the application of section 162 of the Act.

The Manitoba Securities Commission
September 22, 1999.