

IN THE MATTER OF: THE SECURITIES ACT

-and-

IN THE MATTER OF: NORMAN W. ANDREW

**STATEMENT OF ALLEGATIONS OF STAFF OF THE
MANITOBA SECURITIES COMMISSION**

STAFF OF THE MANITOBA SECURITIES COMMISSION ALLEGE, AMONG OTHER THINGS, THAT:

A. STATEMENT OF FACTS

1. At all material times, Norman W. Andrew ("Andrew") was not registered to trade in securities under The Securities Act of Manitoba ("Act").
2. At all material times, IGW TRUST had not filed a preliminary prospectus, or a prospectus, with The Manitoba Securities Commission ("Commission"), nor had it applied for or been granted an exemption order under section 20 of the Act.
3. At all material times, IGW TRUST had not filed any reports under clause 7 of the Regulation to the Act ("Regulation") or any notice under clause 91 of the Regulation with respect to any trades under section 19 of the Act or clauses 90 or 91 of the Regulation.
4. On October 24, 2003, guilty pleas were entered by Andrew in the Provincial Court of Manitoba ("court") to thirty-two (32) counts of offences under s.136(1)(c) of The Securities Act of Manitoba ("Act"), being 16 counts of trading without registration contrary to s.6(1) and 16 counts of trading without prospectus contrary to s.37(1).
5. The charges before the court to which Andrew pled guilty were as follows:
 - (a) from an Information sworn on May 8, 2002, as amended February 14, 2003, all 22 counts as follows:

COUNT 1:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 30th day of June, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Ken McGhie for consideration of \$5,000.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 2:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 30th day

of June, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Robert Wasslen, contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 3:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 30th day of June, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Robert Stansel for consideration of \$1,000.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 4:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of July, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Robert Stansel for consideration of \$2,500.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 5:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of May, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to John David Dyck for consideration of \$5,000.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 6:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of May, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to John David Dyck for consideration of \$5,000.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 7:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 30th day of June, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under

The Securities Act, to wit: in respect of a security of IGW Trust to John David Dyck for consideration of \$5,000.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 8:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of May, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Ken Dyck for consideration of \$5,000.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 9:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of July, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Ed Stevenson for consideration of \$5,000.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 10:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of July, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Arnold Schroeder for consideration of \$3,000.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 11:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of May, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Donald Bell and Bonnie Bell for consideration of \$5,000.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 12:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 30th day of June, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary

prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Ken McGhie for consideration of \$5,000.00 U.S.D. contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 13:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 30th day of June, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Robert Wasslen contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 14:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 30th day of June, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Robert Stansel for consideration of \$1,000.00 U.S.D. contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 15:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of July, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Robert Stansel for consideration of \$2,500.00 U.S.D. contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 16:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of May, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to John David Dyck for consideration of \$5,000.00 U.S.D. contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 17:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of May, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to John David Dyck for consideration of \$5,000.00 U.S.D. contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 18:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 30th day of June, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to John David Dyck for consideration of \$5,000.00 U.S.D. contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 19:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of May, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such

preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Ken Dyck for consideration of \$5,000.00 U.S.D. contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 20:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of July, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Ed Stevenson for consideration of \$5,000.00 U.S.D. contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 21:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of July, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Arnold Schroeder for consideration of \$3,000.00 U.S.D. contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 22:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 31st day of May, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Donald Bell and Bonnie Bell for consideration of \$5,000.00 U.S.D. contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

(b) from an Information sworn on November 29, 2002, 10 counts as follows:

COUNT 1:

NORMAN W. ANDREW, between the 1st day of February, 1998 and the 31st day of March, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Vance Clarke for consideration of \$2,500.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 2:

NORMAN W. ANDREW, between the 1st day of February, 1998 and the 31st day of March, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Vance Clarke for consideration of \$5,000.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 3:

NORMAN W. ANDREW, between the 1st day of February, 1998 and the 31st day of March, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Barry Johnson for consideration of \$2,500.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 4:

NORMAN W. ANDREW, between the 1st day of February, 1998 and the 30th day of April, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Barry Johnson for consideration of \$6,000.00 U.S.D., contrary to Section 6(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 6:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 28th day of February, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in a security without being duly registered under The Securities Act, to wit: in respect of a security of IGW Trust to Elvira Schroeder for consideration of \$10,000.00 U.S.D., contrary to Section 6(1) of The

Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 8:

NORMAN W. ANDREW, between the 1st day of February, 1998 and the 31st day of March, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Vance Clarke for consideration of \$2,500.00 U.S.D., contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 9:

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COUNT 10:

NORMAN W. ANDREW, between the 1st day of February, 1998 and the 31st day of March, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Barry Johnson for consideration of \$2,500.00 U.S.D., contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 11:

NORMAN W. ANDREW, between the 1st day of February, 1998 and the 30th day of April, 1998, both dates inclusive, at or near the City of Winnipeg, in the

Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Barry Johnson for consideration of \$6,000.00 U.S.D., contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

COUNT 13:

NORMAN W. ANDREW, between the 1st day of January, 1998 and the 28th day of February, 1998, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did trade in securities of IGW Trust in the course of a primary distribution to the public of the said securities, before both a preliminary prospectus and a prospectus in respect of the offering of the said securities had been filed with The Manitoba Securities Commission and receipts for such preliminary prospectus and prospectus had been obtained from the Director of The Manitoba Securities Commission, to wit: by trading in respect of securities of IGW Trust to Elvira Schroeder for consideration of \$10,000.00 U.S.D., contrary to Section 37(1) of The Securities Act, and did thereby commit an offence pursuant to Section 136(1)(c) of The Securities Act.

6. On October 24, 2003, Judge Peters accepted the joint recommendation as to fine and imposed a global fine in the amount of \$5,000.00. Costs and surcharges of \$2,250.00 were imposed. Andrew was given time to pay of 2 years 6 months.

B. ALLEGATIONS

1. Staff of the Commission allege that Andrew:

(a) traded in securities without having been registered and without prospectus in contravention of sections 6 and 37 of the Act;

and that due to these allegations, Andrew should not be entitled to use any of the exemptions set out in the Act and should not be entitled to participate in the exempt markets in Manitoba in the future.

2. Such further and other matters as counsel may advise and the Commission may permit.

DATED at Winnipeg, Manitoba this 8th day of July, 2004.

Director, Legal and Enforcement

TO: NORMAN W. ANDREW