

IN THE MATTER OF  
THE SECURITIES ACT, 1988, S.S. 1988, c. s-42.2

AND

IN THE MATTER OF  
ZABTECH INC.,  
ROBERT ZABA  
AND  
ALEXANDER PATRICK McDOUGALL

**AGREEMENT AND UNDERTAKING**

The following agreement has been reached between Alexander Patrick McDougall and the Director of the Saskatchewan Securities Commission (the "Commission").

Facts

As a basis for a 10 year cessation in the trading of securities or commodity futures contracts and other matters as provided in the Order attached hereto as Schedule "A" to this Agreement, Alexander Patrick McDougall ("McDougall") acknowledges and agrees as follows:

1. Between April 15, 1990 and October 19, 1990, McDougall did trade with Madaleine Livingston of Regina, Saskatchewan, in the securities of ZabTech Inc. ("ZabTech"), a British Columbia company;
2. Between April 1, 1990 and October 19, 1990, McDougall did trade with Richard Godenir of Aneroid, Saskatchewan, in the securities of ZabTech;
3. Between April 19, 1990 and October 19, 1990, McDougall did trade with Barry Thuen of Regina, Saskatchewan, in the securities of ZabTech;
4. Between February 7, 1990 and October 19, 1990, McDougall did trade with Audrey D. Cochet of St. Louis, Saskatchewan, in the securities of ZabTech;
5. Between February 7, 1990 and October 19, 1990, McDougall did trade with Marina Cochet of St. Louis, Saskatchewan, in the securities of ZabTech;

6. Between February 5, 1990 and October 19, 1990, McDougall did trade with Joseph Cochet of St. Louis, Saskatchewan, in the securities of ZabTech;
7. Between February 5, 1990 and October 19, 1990, McDougall did trade with Maria S. Cochet of St. Louis, Saskatchewan, in the securities of ZabTach;
8. Between February 7, 1990 and October 19, 1990, McDougall did trade with Jalyn Holdings Ltd. of Regina, Saskatchewan, in the securities of ZabTech;
9. Between April 20, 1990 and October 19, 1990, McDougall did trade with Walter Hamilton of Regina, Saskatchewan, in the securities of ZabTech;
10. Between April 1, 1990 and October 19, 1990, McDougall did trade with James Parisiene of Regina, Saskatchewan, in the securities of ZabTech;
11. A total of \$95,000.00 was solicited by McDougall from the 10 Saskatchewan residents with respect to the above trades (the "Saskatchewan Residents");
12. Between February 5, 1990 and October 19, 1990, McDougall represented to the Saskatchewan Residents without the written permission of the Director that ZabTech would be listed on the Vancouver Stock Exchange, contrary to subsection 44(3) of The Securities Act, 1988, S.S. 1988, c. S-42.2 (the "Act");
13. On or about September 4, 1990, McDougall advised the Saskatchewan Residents to exchange the shares they had subscribed to purchase in ZabTech for shares in Consolidated Trout Lake Mines Ltd.;
14. Between February 1, 1990 and August 24, 1990, McDougall received the sum of \$20,000.00 from ZabTech as commissions for carrying out trades in ZabTech; and
15. During the relevant time periods, McDougall was not registered pursuant to section 27 of the Act to trade in securities or act as an adviser, nor had ZabTech filed a prospectus or received a receipt for a prospectus with respect to its securities as required pursuant to section 58 of the Act;

#### McDougall's Undertakings

McDougall hereby undertakes, agrees and consents, effective the date of his execution of this Agreement, as follows:

1. To cease trading for a period of 10 years in any and all securities or commodity futures contracts in the Province of Saskatchewan or with any resident of the Province of Saskatchewan by any means including, but not limited to, by

means of any company, limited partnership, association or other entity of which he is a director, officer, promoter or control person as defined by the Act;

- 2. Notwithstanding paragraph 1 above, McDougall may from time to time direct a registrant under the Act to sell, transfer or dispose of any shares that either McDougall or Almac Holdings Ltd. holds or owns in Zabalee Enterprises Ltd.;
- 3. To not become, act, or continue to act as a director, officer, or promoter of a reporting issuer as defined by the Act for a period of 10 years;
- 4. To the issuance of the Order of the Commission in substantially the form set out in Schedule "A" to this Agreement, and to hereby waive any right to a hearing and/or appeal with respect to this matter;

Director's Agreement

The Director of the Commission (the "Director") hereby agrees that this Agreement and Undertaking and the Order set out in Schedule "A" are the only sanctions the Director will seek to have the Commission impose upon McDougall pursuant to the Act with respect to the matters set out in this Agreement, provided however that nothing herein shall prohibit the Director from considering and dealing with any matter not set out in this Agreement or any new complaint brought to the Director's attention in respect of McDougall.

IN WITNESS WHEREOF McDougall and the Director have executed this Agreement and Undertaking on this 15th day of August, 1991.


SIGNED, SEALED AND DELIVERED  
in the presence of:

"Henning Dahlem"  
Henning Dahlem

  
Alexander Patrick McDougall

SIGNED, SEALED AND DELIVERED  
in the presence of:

"J. M. Hall"  
J. M. Hall

  
Barbara L. Shourounis,  
Director