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

CEASE TRADE ORDER

(Sections 134 and 135)

WHEREAS an application has been received by the Saskatchewan Securities Commission (the "Commission") from the staff of the Commission for an Order pursuant to:

- Subsection 134(1) of <u>The Securities Act, 1988</u>, S.S. 1988, c. S-42.2 (the "Act") that Alexander Patrick McDougall ("McDougall") shall cease trading in securities or commodity futures contracts in the Province of Saskatchewan or with any person resident in the Province of Saskatchewan for a period of 10 years;
- 2. Subsection 135(1) of the Act that the exemptions contained in:
 - a. Sections 38, 39, 81, 82 and 102 of the Act;
 - b. <u>The Securities Regulations</u>, R.R.S., c. S-42.2, Reg 1 (the "Regulations") providing for exemptions from sections 27, 58 and 71 of the Act; and
 - c. Any decision providing for exemptions from sections 27, 58, 71 or 104 to 109 of the Act;

do not apply to McDougall for a period of 10 years;

AND WHEREAS McDougall and the Director of the Commission have entered into an Agreement and Undertaking dated August 15, 1991, the original of which is attached as Schedule "A" to this order;

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

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this order;

THE COMMISSION HEREBY ORDERS, pursuant to:

- 1. Subsection 134 (1) of the Act that Alexander Patrick McDougall ("McDougall") shall cease trading in securities or commodity futures contracts for a period of 10 years from the date of this order provided however that 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.;
- 2. Subsection 135(1) of the Act that the exemptions contained in:
 - a. Sections 38, 39, 81, 82 and 102 of the Act;
 - b. The Regulations providing for exemptions from sections 27, 58 and 71 of the Act; and
 - c. Any decision providing for exemptions from sections 27, 58, 71 or 104 to 109 of the Act;

do not apply to McDougall for a period of 10 years from the date of this Order;

DATED at the City of Regina, in the Province of Saskatchewan, this 20th day of August, 1991.

Marcel de la Gorgendière, Q.C. Chairman

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;
- 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 <u>The</u> 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:

<u>"Henning Dahlem"</u> Henning Dahlem

SIGNED, SEALED AND DELIVERED in the presence of:

<u>"J. M. Hall"_____</u> J. M. Hall

Alexander Patrick McDougall

Harbara L. Shourounis. Director