



**Saskatchewan
Financial Services
Commission**

Securities Division

**In the Matter of
*The Securities Act, 1988, S.S. 1988, c. S-42.2***

And

**In the Matter of
20/20 Diversified Income Trust**

Settlement Agreement

Introduction

1. Staff of the Saskatchewan Financial Services Commission (the Commission) investigated the conduct and activity of 20/20 Diversified Income Trust (20/20 DIT) to determine whether the activities of 20/20 DIT were contrary to the public interest or in contravention of *The Securities Act, 1988 S.S. 1988, c. S-42-2* (the Act).
2. This Settlement Agreement has been reached between 20/20 DIT and the Director, Securities Division, Saskatchewan Financial Services Commission (the Director) to resolve 20/20 DIT's contraventions of Saskatchewan securities laws.
3. Paragraphs 11, 12, 13 and 14 of this Settlement Agreement represent an undertaking to the Director under section 55.15 of the Act.

Statement of Facts

For the purposes of this Settlement Agreement, 20/20 DIT agrees with the following facts:

4. 20/20 DIT, through its legal counsel, Clark Wilson LLP, prepared and filed Form 45-106F1 *Report of Exempt Distribution* (Form 45-106F1) reports with the Commission to report exempt distributions, as required by section 6.1 of National Instrument 45-106 *Prospectus and Registration Exemption* (NI 45-106);
5. A Form 45-106F1 dated April 8, 2009 reported distributions of units on April 2, 2009 (the April 8, 2009 Form 45-106F1) to two residents of Saskatchewan in reliance upon the exemption in section 2.9(4) of NI 45-106. The April 8, 2009 Form 45-106F1 also listed that commissions and/or finder's fees were paid.

6. A Form 45-106F1 dated May 26, 2008 reported distributions of units on May 22, 2008 (the May 26, 2008 Form 45-106F1) to two residents of Saskatchewan in reliance upon the exemption in section 2.9(4) of NI 45-106. The May 26, 2009 Form 45-106F1 also listed that commissions and/or finder's fees were paid.
7. Upon further clarification by Clark Wilson LLP, it was confirmed that commissions totaling approximately \$1,096US were paid to Allouette Consultants Ltd. (Allouette) for the distributions to four Saskatchewan residents shown on the April 8, 2009 Form 45-106F1 and the May 26, 2008 Form 45-106F1;
8. Subsection 2.9(6) of NI 45-106 states that no commissions or finder's fees may be paid to any person, other than a registered dealer, in connection with a trade to a purchaser in Saskatchewan under subsections 2.9(2) or 2.9(4) of NI 45-106;
9. Allouette is not a registered dealer in Saskatchewan; and
10. 20/20 DIT contravened Saskatchewan securities laws when it paid commissions to Allouette.

20/20 DIT's Undertaking and Agreement

11. 20/20 DIT agrees that all of the facts set out in paragraphs 1 to 10 above are true and that there are no material facts related to these matters that are not set out in paragraphs 1 to 10 above.
12. 20/20 DIT agrees to pay to the Commission an administrative penalty of \$1,100 equal to the sum of the commissions paid contrary to the provisions of subsection 2.9(6) of NI 45-106 upon execution of this Settlement Agreement.
13. 20/20 DIT agrees to waive any right to a hearing or appeal with respect to this matter; and
14. 20/20 DIT agrees to dispose of this proceeding by agreement without a hearing pursuant to section 135.3 of the Act.

Staff Commitment

15. Staff shall not initiate any further proceedings against 20/20 DIT under Saskatchewan securities law in respect of any conduct of 20/20 DIT in relation to the facts set out in this Settlement Agreement.

Disclosure of Settlement Agreement

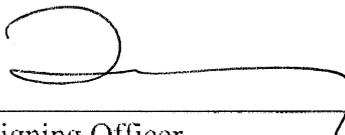
- 16. The terms of this Settlement Agreement shall be treated as confidential by all parties until signed by all parties except with the consent of both 20/20 DIT and the Director or as required by law.
- 17. Any obligations of confidentiality shall terminate upon execution of this Settlement Agreement.

Execution of Settlement Agreement

- 18. This Settlement Agreement may be signed in one or more counterparts which together shall constitute a binding agreement.
- 19. A facsimile copy of any signature shall be effective as an original signature.

Dated OCTOBER 27, 2009.

20/20 Diversified Income Trust
(SEAL)

Per: 

 Signing Officer



 Witness



 Barbara L. Shourounis
 Director, Securities Division
 Saskatchewan Financial Services Commission