

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

AND

MARTIN KREAUS WILLIAM CARPENTIER

AGREEMENT AND UNDERTAKING

The following agreement and undertaking (the **AAgreement@**) has been reached between Martin Kreaus William Carpentier ("Carpentier") and the Director (the **ADirector@**) of the Saskatchewan Securities Commission (the **ACommission@**).

Facts

As a basis for the issuance of an Order (the **AOrder@**) substantially in the form as set out in Schedule **AA@** to this Agreement for a five year cessation in the trading of securities and exchange contracts, and a five year removal of exemptions under **AThe Securities Act, 1988, S.S. 1988, c. S-42-2** (the **AAct@**) Carpentier acknowledges and agrees as follows:

1. During 1997, Carpentier engaged in the trading in securities in Saskatchewan in contravention of the "Act" in respect to an investment scheme commonly referred to as a prime bank debt instrument program (the "Program") promoted by TAC International Ltd. ("TAC") whereby the investors sent their money to TAC in the Bahamas to open an International Business Corporation ("IBC") in the investors name to facilitate a loan from TAC which would be pooled with other investors money and used by foreign traders to buy and sell debt instruments thereby generating exceptionally high rates of return;
2. As a result of Carpentier's activities 10 Saskatchewan residents invested approximately \$21,000 in the Program;
3. At all material times, Carpentier was not registered pursuant to section 27 of the Act to trade in securities;
4. None of the investors have been repaid the principal amount of their investment or received any return on their investment;
5. That the trades are contrary to the provisions of the Act.

Carpentier's Undertakings

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

1. To cease trading for a period of three years from the issuance of the Order of the Commission in any and all securities and exchange contracts in the Province of Saskatchewan or with any resident of the Province of Saskatchewan personally or by any other means including, but not limited to, by means of any company, limited partnership, association, joint venture or other entity of which he is a director, officer, promoter or control person as defined by the Act except as provided in paragraph four hereunder;
2. That the exemptions contained in the following provisions of the Act do not apply to him for a period of three years:
 1. Sections 38, 39, 39.1, 81, 82 and 102 of the Act;
 2. *The Securities Regulations*, R.R.S., c. S-42.2, Reg 1 (the ~~A~~Regulations~~@~~) providing for exemptions from Sections 27, 58, 71 or 104 to 109 of the Act;
 3. Any decision of the Commission providing for exemptions from any provision of the Act or Regulations;

unless upon written application to the Director of the Commission, the Director has exempted Carpentier from the application of this paragraph;

3. 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.
4. Carpentier may trade in securities in his own account through a registrant for the purposes of investing in his own registered retirement savings plan as defined in the *Income Tax Act* (Canada).

Director=s Agreement

The Director of the Commission (the ~~A~~Director~~@~~) hereby agrees that this Agreement and the Order of the Commission set out in Schedule ~~AA~~~~@~~ to this Agreement are the only sanctions the Director will seek to have the Commission impose upon Carpentier 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 Carpentier.

IN WITNESS WHEREOF Carpentier and the Director have executed this Agreement and Undertaking on this 19 day of August, 1999.

SIGNED, SEALED AND DELIVERED)

in the presence of:)

"Martin Kreaus Williams Carpentier"

)
Martin Kreaus Williams Carpentier

)
"Gina Kim")

SIGNED, SEALED AND DELIVERED)

in the presence of:)

"Barbara L. Shourounis"

)
Barbara L. Shourounis

)
Director

)
"Vic Pankratz")