

**In the Matter of
*The Securities Act, 1988***

and

In the Matter of Fluid
FX
Paul Anderson
Alan P. Howard
And
John Andrews
(The Respondents)

SANCTIONS AND COSTS ORDER

WHEREAS, pursuant to section 17 of *The Financial and Consumer Affairs Authority of Saskatchewan Act*, SS 2012, c F-13.5 [*FCAA Act*], the Chairperson of the Financial and Consumer Affairs Authority of Saskatchewan (the “Authority”) has appointed a panel (the “Hearing Panel”) to hear this matter;

AND WHEREAS, by virtue of subsection 17(7) of the *FCAA Act*, a decision or action of the Hearing Panel in relation to this matter is a decision of the Authority;

AND WHEREAS the Hearing Panel held a hearing on October 13 and 14, 2020 into the merits of the allegations against the Respondents as set out in the Statement of Allegations of Staff of the Authority dated May 1, 2020;

AND WHEREAS the Hearing Panel issued a decision on the merits dated December 18, 2020 [*Merits Decision*] finding various breaches of securities laws;

AND WHEREAS the Hearing Panel issued an order that the hearing into sanctions and costs be a written hearing and received written submissions from Staff of the Authority only – the Respondents did not appear and have never appeared before the Hearing Panel in these proceedings;

AND WHEREAS the Hearing Panel has considered the submissions of Staff of the Authority in respect to Sanctions and Costs and generally agrees with these submissions;

AND WHEREAS the Hearing Panel is cognizant that the primary goal of securities legislation is the protection of the investing public and maintaining the integrity of capital markets such that the primary focus should be on preventing future harm;

AND WHEREAS the Hearing Panel has considered its findings in its *Merits Decision* and has weighed the factors relevant to sanctions as set out in *In the Matter of Gaetan Blouin – Sanctions and Costs*, (June 25, 2021) FCAA [unreported] [*Gaetan Blouin*] at paras 19-23, including the seriousness of the Respondents’ conduct which involved a scheme of patent dishonesty, the lack of mitigating factors, the complete lack of recognition by the Respondents of the seriousness of their conduct, the complete lack of remorse, and the failure of the Respondents to appear at all in these proceedings;

AND WHEREAS the Hearing Panel has also considered in light of its findings in its *Merits Decision* similar orders made in similar circumstances in the past, the need for general and specific deterrence, and the requirement that there be proportionality between the sanctions imposed and the responsibility of the Respondents;

AND WHEREAS the Hearing Panel has considered and weighed the factors pertaining to costs as set out in Part 20 of *Saskatchewan Policy Statement 12-602 – Procedure for Hearings and Reviews* [*Local*


Policy] and in *Gaetan Blouin* at paras 46-51, and notes that the Respondents did not contribute in any meaningful way to these proceedings and their approach necessitated that a full hearing on the merits be held;

AND WHEREAS in consideration of subsection 9(11) of *The Securities Act*, no person or company has requested written reasons in respect to the Panel's decisions on sanctions and costs and therefore the Hearing Panel has not issued separate written reasons for this order;

IT IS HEREBY ORDERED THAT:

1. Pursuant to section 134(1)(a) of *The Securities Act, 1988*, SS 1988-89, c S-42.2 [*Securities Act*], all of the exemptions in Saskatchewan securities laws do not apply to the Respondents, permanently;
2. Pursuant to section 134(1)(d) of the *Securities Act*, the Respondents shall cease trading in any securities and derivatives in Saskatchewan, permanently;
3. Pursuant to section 134(1)(d.1) of the *Securities Act*, the Respondents shall cease acquiring any derivatives for and on behalf of residents of Saskatchewan, permanently;
4. Pursuant to section 134(1)(e) of the *Securities Act*, the Respondents shall cease giving advice respecting securities, derivatives, and trades thereof in Saskatchewan, permanently;
5. Pursuant to section 134(1)(h)(i) of the *Securities Act*, the Respondents shall resign any position that they hold as a director or officer of an issuer, a registrant, or an investment fund manager;
6. Pursuant to section 134(1)(h)(ii) of the *Securities Act*, the Respondents are prohibited from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager, permanently;
7. Pursuant to section 134(1)(h)(iii) of the *Securities Act*, the Respondents shall not be employed by any issuer, registrant or investment fund manager in any capacity that would allow them to trade in securities or derivatives, permanently;
8. Pursuant to section 134(1)(h.1) of the *Securities Act*, the Respondents are prohibited from becoming or acting as a registrant and investment fund manager or a promoter, permanently;
9. Pursuant to section 135.1 of the *Securities Act*, the Respondents shall, jointly and severally, pay an administrative penalty to the Authority in the amount of \$40,000.00;
10. Pursuant to section 161 of the *Securities Act*, the Respondents shall, jointly and severally, pay the costs of or relating to the hearing in this matter in the amount of \$9,695.00 as documented in the Registrar's Statement of Costs; and
11. Pursuant to section 135.6 of the *Securities Act* and Part 13 of the *Local Policy*, the Director in his sole discretion may request orders from the Hearing Panel for financial compensation on behalf of claimants who applied for such orders.

DATED at Regina, Saskatchewan on this 3rd day of November, 2021.


Howard Crofts
Chairperson of the Hearing Panel
Financial and Consumer Affairs Authority of
Saskatchewan