



**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
Fisgard Capital Corporation**

Settlement Agreement

Introduction

1. Staff of the Saskatchewan Financial Services Commission (the Commission) investigated the conduct and activity of Fisgard Capital Corporation (Fisgard) to determine whether the activities of Fisgard 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 Fisgard and the Director, Securities Division, Saskatchewan Financial Services Commission (the Director) to resolve Fisgard's contraventions of Saskatchewan securities laws.
3. Paragraphs 14, 15, 16 and 17 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, Fisgard agrees with the following facts:

4. Fisgard 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 January 21, 2009 filed by Fisgard reported distributions of common shares on between January 12, 2009 and January 21, 2009 (the January 21, 2009 Form 45-106F1) to one resident of Saskatchewan in reliance upon the exemption in section 2.9(4) of NI 45-106. The January 21, 2009 Form 45-106F1 also listed that commissions and finder's fees were paid.

6. A Form 45-106F1 dated February 2, 2009 filed by Fisgard reported distributions of common shares on between January 22, 2009 and January 31, 2009 (the February 2, 2009 Form 45-106F1) to two residents of Saskatchewan in reliance upon the exemption in section 2.9(4) of NI 45-106. The February 2, 2009 Form 45-106F1 also listed that commissions and finder's fees were paid.
7. A Form 45-106F1 dated February 11, 2009 filed by Fisgard reported distributions of common shares on between February 2, 2009 and February 11, 2009 (the February 11, 2009 Form 45-106F1) to one resident of Saskatchewan in reliance upon the exemption in section 2.9(4) of NI 45-106. The February 11, 2009 Form 45-106F1 also listed that commissions and finder's fees were paid.
8. A Form 45-106F1 dated March 4, 2009 filed by Fisgard reported distributions of common shares on between February 23, 2009 and March 4, 2009 (the March 4, 2009 Form 45-106F1) to three residents of Saskatchewan in reliance upon the exemption in section 2.9(4) of NI 45-106. The March 4, 2009 Form 45-106F1 also listed that commissions and finder's fees were paid.
9. A Form 45-106F1 dated April 6, 2009 filed by Fisgard reported distributions of common shares on between March 26, 2009 and April 4, 2009 (the April 6, 2009 Form 45-106F1) to one resident of Saskatchewan in reliance upon the exemption in section 2.9(4) of NI 45-106. The April 6, 2009 Form 45-106F1 also listed that commissions and finder's fees were paid.
10. Upon further clarification, it was confirmed that commissions totaling approximately \$50.00 were paid to Fisgard Asset Management Corp.(FAS Corp) for the distributions to eight Saskatchewan residents shown on the January 21, 2009 Form 45-106F1, the February 2, 2009 Form 45-106F1, the February 11, 2009 Form 45-106F1, the March 4, 2009 Form 45-106F1 and the April 6, 2009 Form 45-106F1;
11. 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;
12. FAS Corp. is not a registered dealer in Saskatchewan; and
13. Fisgard contravened Saskatchewan securities laws when it paid commissions to FAS Corp.

Fisgard's Undertaking and Agreement

14. Fisgard agrees that all of the facts set out in paragraphs 1 to 13 above are true and that there are no material facts related to these matters that are not set out in paragraphs 1 to 13 above.
15. Fisgard agrees to pay to the Commission an administrative penalty of \$800 upon execution of this Settlement Agreement.

16. Fisgard agrees to waive any right to a hearing or appeal with respect to this matter; and
17. Fisgard agrees to dispose of this proceeding by agreement without a hearing pursuant to section 135.3 of the Act.

Staff Commitment

18. Staff shall not initiate any further proceedings against Fisgard under Saskatchewan securities law in respect of any conduct or alleged conduct of Fisgard in relation to the facts set out in this Settlement Agreement provided 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 to Fisgard.

Disclosure of Settlement Agreement

19. 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 Fisgard and the Director or as required by law.
20. Any obligations of confidentiality shall terminate upon execution of this Settlement Agreement.

Execution of Settlement Agreement

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

Dated September 21, 2009.

Fisgard Capital Corporation
(SEAL)

Per: “R. Dawn Paniz”
Signing Officer

“Rafer Strandlund”
Witness

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