



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

And

**In the Matter of
Investicare Seniors Housing Corp.**

Settlement Agreement

Introduction

1. Staff of the Saskatchewan Financial Services Commission (the Commission) investigated the conduct and activity of Investicare Seniors Housing Corp. (Investicare) to determine whether the activities of Investicare 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 Investicare and the Director, Securities Division, Saskatchewan Financial Services Commission (the Director) to resolve Investicare'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, Investicare agrees with the following facts:

4. Investicare, through its legal counsel, TingleMerrett LLP (TingleMerrett), 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 August 27, 2009 reported distributions of units on August 27, 2009 (the August 27, 2009 Form 45-106F1) to four residents of Saskatchewan in reliance upon the exemption in section 2.9(4) of NI 45-106. The August 27, 2009 Form 45-106F1 also listed that commissions and/or finder's fees were paid;

6. A Form 45-106F1 dated November 25, 2009 reported a distribution of units on November 25, 2009 (the November 25, 2009 Form 45-106F1) to one resident of Saskatchewan in reliance upon the exemption in section 2.9(4) of NI 45-106. The November 25, 2009 Form 45-106F1 also listed that commissions and/or finder's fees were paid;
7. Upon further clarification by TingleMerrett, it was confirmed that commissions totaling approximately \$4,000 was paid to Lee Raine Investments and Risk Management (Lee Raine) for the distributions to two Saskatchewan residents shown on the August 27, 2009 Form 45-106F1 and the November 25, 2009 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. Lee Raine is not a registered dealer in Saskatchewan; and
10. Investicare contravened Saskatchewan securities laws when it paid commissions to Lee Raine.

Investicare's Undertaking and Agreement

11. Investicare 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 9 above.
12. Investicare agrees to pay to the Commission an administrative penalty of \$4,000 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. Investicare agrees to waive any right to a hearing or appeal with respect to this matter; and
14. Investicare 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 Investicare under Saskatchewan securities law in respect of any conduct of Investicare 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 Investicare 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 January 27, 2010.

Investicare Seniors Housing Corp.
(SEAL)

Per: "Steve Brown"
Signing Officer

"Ken Foster"
Witness

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