

IN THE MATTER OF  
The Securities Act, 1988, S.S. 1988, c. S-42.2

AND  
IN THE MATTER OF

WAYNE H. MCKAY  
AND  
INTERNATIONAL BREW PUB INC.

CEASE TRADE ORDER  
Sections 134(1) and 135(1)

WHEREAS an application has been received by the Saskatchewan Securities Commission (the "Commission") from the staff of the Commission for an Order pursuant to:

1. Subsection 134(1) of *The Securities Act, 1988*, S.S. 1988, c. S-42.2 (the "Act"), that Wayne H. McKay ("McKay") shall cease trading in securities and commodity futures contracts in the Province of Saskatchewan or with any person resident in the Province of Saskatchewan for a period of three years from the date of this Order, except for Permitted Trades as hereinafter defined;;
2. Subsection 135(1) of the Act, that the exemptions contained in:
  - (a) Sections 38, 39, 81, 82 and 102 of the Act;
  - (b) *The Securities Regulations*, R.R.S., c. S-42.2, Reg1 (the "Regulations") providing for exemptions from sections 27, 58, and 71 of the Act; and
  - (c) Any decision providing for exemptions from sections 27, 58, 71 or 104 to 109 of the Act;

other than those exemptions pertaining to Permitted Trades as hereinafter defined, do not apply to McKay for a period of three years;

3. Subsection 134(1) of the Act that trading permanently cease in respect of the securities of International Brew Pub Inc;

AND WHEREAS McKay and the Director of the Commission have entered into an Agreement and Undertaking (the "Agreement") dated September 21 , 1994;

AND WHEREAS the term "Permitted Trades" is defined therein and herein to mean the following:

- (a) trades by or for the account of McKay or any registered retirement savings plan of McKay made in a security mentioned in s. 39(2), or in any publicly traded security through a registered dealer;

AND WHEREAS McKay has consented to the issuance of this Order and waived any right to a hearing in respect of it;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order;

THE COMMISSION HEREBY ORDERS pursuant to:

1. Subsection 134(1) of the Act, that McKay shall cease trading in securities and commodity futures contracts in the Province of Saskatchewan or with any person resident in the Province of Saskatchewan for a period of three years from the date of this Order, except for Permitted Trades and as otherwise provided for in paragraph 4 hereunder;
2. Subsection 135(1) of the Act, that except for those exemptions pertaining to Permitted Trades, the exemptions contained in:
  - (a) Sections 38, 39, 81, 82 and 102 of the Act;
  - (b) The Regulations providing for exemptions from sections 27, 58 and 71 of the Act;
  - (c) Any decision providing for exemptions from sections 27, 58, 71 or 104 to 109 of the Act;

do not apply to McKay, except as provided for in paragraph 4 hereunder, for a period of three years from the date of this Order;

3. Subsection 134(1) of the Act that trading permanently cease in respect of the securities of International Brew Pub Inc.;
4. Subsections 134(1) and 135(1) of the Act that upon written application to the Director of the Commission, (the "Director") the Director may exempt McKay from the application of paragraphs 1 and 2 in whole or in part for the purpose carrying out occasional individual trades.

DATED at the City of Regina in the Province of Saskatchewan, this 22nd day of September, 1994

*"Marcel de la Gorgendiere"*  
Marcel de la Gorgendiere, Q.C.  
Chairman

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

AND

IN THE MATTER OF  
WAYNE H. MCKAY

**AGREEMENT AND UNDERTAKING**

The following agreement has been reached between Wayne H. McKay and the Director of the Saskatchewan Securities Commission (the "Commission").

Facts

As a basis for a three year cessation in the trading of securities and commodity futures contracts and other matters as provided in the form of Order, attached hereto as Schedule A to this agreement, Wayne H. McKay ("McKay") acknowledges and agrees as follows:

1. From about the end of January, 1991 to February 7, 1992, McKay traded in securities of International Brew Pub Inc. ("Brew Pub") formerly 596823 Saskatchewan Ltd. in Saskatchewan knowing that he was not registered under *The Securities Act, 1988*, S.S. 1988, c. S-42.2 (the "Act") and knowing that the securities of Brew Pub were not being offered pursuant to a prospectus for which a receipt had been received from the Commission, although not appreciating the legal significance of the foregoing;
2. About the end of January, 1991, McKay did trade with Don Nicholson of Regina, Saskatchewan in the securities of Brew Pub, a Saskatchewan company;
3. About the end of January, 1991, McKay did trade with Mike Taschuk of Regina, Saskatchewan in the securities of Brew Pub;
4. On or about February 9, 1991 McKay did trade with Allen Ernest Earis of Regina, Saskatchewan in the securities of Brew Pub;
5. On or about May 1, 1991 McKay did trade with Chase McKay Business Systems, a Saskatchewan company of Regina, Saskatchewan in the securities of Brew Pub;

6. On or about July 1, 1991 McKay did trade with Rob Matchett of Regina, Saskatchewan in the securities of Brew Pub;
7. On or about July 5, 1991 McKay did trade with Grant Gillespie of Regina, Saskatchewan in the securities of Brew Pub;
8. On or about February 7, 1992 McKay did trade with Robert Seipp of Regina, Saskatchewan in the securities of Brew Pub;
9. During the relevant time period McKay solicited investments in Brew Pub through an advertisement placed in the Regina Leader-Post;
10. A total of \$147,500 was solicited by McKay from the above named Saskatchewan residents, excluding Don Nicholson, with respect to the above trades;
11. During the relevant time periods, McKay was not registered pursuant to section 27 of the Act to trade in securities or act as an adviser, nor had Brew Pub filed a prospectus or received a receipt for a prospectus with respect to its securities as required pursuant to section 58 of the Act;
12. That by the activities described in the preceding paragraphs McKay breached the provisions of sections 27 and 58 of the Act.

### Permitted Trades

Where used in this Agreement, "Permitted Trades" means the following:

- (a) trades by or for the account of McKay or any registered retirement savings plan of McKay made in a security mentioned in s. 39(2), or in any publicly traded security through a registered dealer;

### McKay's Undertakings

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

1. To cease trading, except for Permitted Trades, for a period of three years in any and all securities in the Province of Saskatchewan or with any resident of the Province of Saskatchewan by any means including, but not limited to, by means of any company, limited partnership, association or other entity of which he is a director, officer, promoter or control person as defined by the Act;

2. To not become, act, or continue to act as a director, officer or promoter of a reporting issuer as defined by the Act for a period of three years;
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.

Director's Agreement

The Director of the Commission ("the Director") hereby agrees that this Agreement and Undertaking and the Order set out in Schedule A are the only sanctions to be imposed upon McKay pursuant to the Act with respect to the matters referred to in this agreement, provided however, that nothing herein shall prohibit the Director from considering and dealing with new matter or complaint brought to the Director's attention in respect of McKay.

The Director hereby confirms that the Director and the other personnel of the Commission are not aware of any matter or complaint in respect of McKay other than those referred to in this agreement.

IN WITNESS WHEREOF McKay and the Director have executed this Agreement and Undertaking, on this 21<sup>st</sup> day of *September*, 1994.

SIGNED, SEALED	)	
AND DELIVERED	)	
in the presence of:	)	
	)	<u>"Wayne H. McKay"</u>
	)	Wayne H. McKay
<u>"Lynne I. McNeill"</u>	)	
<u>"on the 19th day of September, 1994"</u>	)	

SIGNED, SEALED	)	
AND DELIVERED	)	
in the presence of:	)	
	)	<u>"Barbara L. Shourounis"</u>
	)	Barbara L. Shourounis, Director
<u>"Dean Murrison"</u>	)	
Dean Murrison	)	