

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

Appendix "A"

AND

**AND IN THE MATTER OF
JON-PAUL MICHAEL SUWALA**

AGREEMENT

The following agreement ("Agreement") has been reached between Jon-Paul Michael Suwala ("Suwala") and the director ("Director") of the Saskatchewan Securities Commission (the "Commission").

Facts

As a basis for the issuance of an order by the Commission (the "Order") substantially in the form as set out in Schedule "A" to this Agreement, Suwala acknowledges and agrees as follows:

1. Since July 28, 1998 Suwala was continuously registered as a mutual fund salesperson licensed to sell mutual funds on behalf of Mutual Investco Inc., and since March 1, 2000 for Clarica Investco Inc. ("Clarica"). During these times Suwala was also registered to sell life insurance for Clarica Life Insurance Company;
2. One of Suwala's early mutual fund clients was a 27 year old single female (the "client") that Suwala had known prior to his mutual fund employment. During 1998, 1999 and 2000 the client periodically gave Suwala cash to place into her investment accounts. Sometimes Suwala would issue the client a receipt for the cash received and sometimes he would not;
3. In 1999 the client was approved for a mortgage with MCAP, and arranged for automatic payments on a bi-weekly basis from her Royal Bank account. In addition the client could also make one privilege payment annually;
4. In August 2000 the client gave Suwala \$2400 in cash which was to become part of a privilege payment the client wished to make once she had accumulated a total of \$3500. The client gave this money to Suwala at this time so it could earn interest until the client saved the remainder. No receipt for this money was issued by Suwala;
5. In October 2000 the client gave Suwala \$1100 in cash for which Suwala issued the client a receipt. The client instructed Suwala to combine it with the \$2400 previously given him and the resulting \$3500 be made subject of the once annual privilege mortgage payment. Suwala was to forward

- the privilege payment to the mortgage company on behalf of the client;
6. In January 2001 when the client received her annual mortgage account statement she noticed that the privilege payment was not reflected in the statement;
 7. Suwala assured the client that the payment was only misplaced and would show up in her mortgage account. It did not;
 8. On March 19, 2001 the client filed a complaint with the Commission;
 9. On March 21, 2001 Suwala arranged for a \$3500 payment to be made into the clients mortgage account;
 10. During the investigation into this matter Suwala acknowledged to Commission staff that he had misappropriated the client's \$3500 and benefited personally therefrom.
 11. By his actions described above, Suwala failed to comply with the fiduciary obligation that he owed the client;

SUWALA'S AGREEMENT, CONSENT AND WAIVER

1. Suwala hereby agrees and consents, effective the date of execution of this Agreement, for a period of 20 years from the issuance of the Order, to:
 - a. The cancellation of his registration.
 - b. Cease trading 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, general partnership, association, joint venture or other entity of which he is a director, officer, promoter or control person as defined by *The Securities Act, 1988*, S.S. 1988, c. S-42.2 (the "Act"), except in his personal account through a registrant;
 - c. Resign any position that he holds as a director or officer of an issuer or registrant;
 - d. Not become or act as a director or officer of any issuer or registrant;
 - e. Not be employed by any registrant.
2. Suwala hereby waives any right to a hearing and/or appeal with respect to this matter.

DIRECTOR=S AGREEMENT

The Director hereby agrees that this Agreement is the only sanction the Director will seek to have the

Commission impose upon Suwala pursuant to the Act with respect to the matters set out in this 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 Suwala.

IN WITNESS WHEREOF Suwala and the Director have executed this Agreement on this "4" day of "July", 2001.

SIGNED, SEALED AND DELIVERED)
this "4th" day of "July" , 2001)
in the Presence of:)

"Wayne Webb")

) "Jon-Paul Michael Suwala"
) Jon-Paul Michael Suwala

SIGNED, SEALED AND DELIVERED)
this "5th" day of "July" , 2001)
in the Presence of:)

"Vic Pankratz")

) "Barbara L. Shourounis"
) Barbara L. Shourounis
) Director