

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

AND
IN THE MATTER OF

FEDI INC.
FLAT ELECTRONIC DATA INTERCHANGE
HOWARD SMITH

TEMPORARY ORDER
(Section 134)

WHEREAS it has been represented to the Saskatchewan Securities Commission (the "Commission") by the staff of the Commission that:

1. FEDI Inc., Flat Electronic Data Interchange and Howard Smith, collectively (the "Respondents") have engaged in the trading of securities in Saskatchewan in contravention of *The Securities Act, 1988, S.S. 1988, c. S-42.2* (the "Act") in respect to an offshore joint venture program (the "Program");
2. None of the Respondents were registrants within the meaning of the Act at any time;
3. At all material times the Respondents had not complied with the prospectus requirements in section 58 of the Act;
4. At all material times the requirements of any statutory exemptions under the Act, which would have allowed the Respondents to trade in the securities of the Respondents without complying with the registration and prospectus requirements of the Act, were not met;

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

AND WHEREAS the Commission is of the opinion that the length of time required for a hearing would be prejudicial to the public interest;

THE COMMISSION HEREBY ORDERS:

1. Pursuant to clause 134(1)(d) of the Act, that trading in all securities by the Respondents cease forthwith up to and including September 25, 2001;
2. Pursuant to clause 134(1)(a) of the Act, that the exemptions contained in sections 38, 39, 39.1, 81, 82 and 102 of the Act and the exemptions contained in *The Securities Regulations*, R.R.S., c. S-42.2 Reg 1, which provide for exemptions from the requirements of sections 27, 58, 71 or 104 to 109 of the Act, shall not apply forthwith up to and including September 25, 2001, with respect to any trade in securities by the Respondents;

AND TAKE NOTICE THAT:

1. This Order may be extended for such period as the Commission considers necessary where sufficient information is not provided to the Commission on or before September 25, 2001;
2. The Commission will, at the request of any person or company named in this Order, grant a hearing before the Commission with respect to the within matter, such hearing to be held at such time and place as the Commission shall determine;
3. The purpose of such hearing will be to consider whether it is in the public interest that a permanent cease trade order pursuant to clause 134(1)(d) of the Act and a permanent prohibition of statutory exemptions pursuant to clause 134(1)(a) of the Act be made with respect to the Respondents by reason of the conduct herein before described and by reason of failing to provide the Commission with satisfactory information on or before the date of the hearing or any extension thereof by the Commission;
4. Any party to these proceedings may be represented by counsel of their choice at any such hearing before the Commission; and
5. Upon failure of any party to attend any such hearing at the time and place set therefore, the hearing may proceed in the absence of such party and such party is not entitled to any further notice of the proceedings therein.

DATED at Regina, Saskatchewan, September 11, 2001.

"David Wild"
David Wild
Chairperson
Saskatchewan Securities Commission

TO: Mr. Howard Smith
203 Gustin Cres.
SASKATOON SK S7K 6G8

FEDI Inc.
c/o Mr. Howard Smith
203 Gustin Cres.
SASKATOON SK S7K 6G8

Flat Electronic Data Interchange
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