

# 2004 BCSECCOM 181

COR#04/037

## Variation Order

### L.O.M. Medical International, Inc. and John Klippenstein

#### Section 171 of the *Securities Act*, RSBC 1996, c. 418

- ¶ 1 The Executive Director issued a Notice of Hearing on October 24, 2002 against the respondents, L.O.M. Medical International, Inc. (LOM) and John Klippenstein (Klippenstein), that was subsequently amended on July 30, 2003.
- ¶ 2 On June 24, 2003 the Commission issued a Temporary Order under section 161(2) and (3) of the *Securities Act*, RSBC 1996, c.418, that LOM and Klippenstein cease trading in securities of LOM until the hearing in this matter is held and a decision is rendered (the Temporary Order).
- ¶ 3 On April 10, 2001, LOM offered to rescind the purchases of LOM securities by its securityholders resident in British Columbia. Not all securityholders who accepted the rescission offer have been paid by LOM. Since the date of that offer, LOM has sold securities to two more residents of British Columbia. LOM intends to offer to rescind the purchases of these securityholders.
- ¶ 4 On March 4, 2004, Le Monde International Holdings Ltd. agreed, on certain conditions, to purchase a debenture issued by LOM in the amount of US\$156,000 (the proceeds). The president of Le Monde is Robert Pirooz.
- ¶ 5 On March 15, 2004, the Commission was asked to vary the Temporary Order.

#### **Order**

- ¶ 6 The Commission, considering that it would not be prejudicial to the public interest, orders under section 171 of the Act that the Temporary Order be varied to allow LOM to issue the debenture to Le Monde Holdings Ltd. or Robert Pirooz on the condition that the proceeds be used by LOM only to pay
  - (a) LOM securityholders who accepted LOM's April 10, 2001 offer to rescind and have not yet been paid, and
  - (b) LOM securityholders who accept any subsequent offer by LOM to rescind their securities.
- ¶ 7 March 19, 2004

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Brent W. Aitken  
Vice Chair

Marc A. Foreman  
Commissioner

Robert J. Milbourne  
Commissioner