

2002 BCSECCOM 439

Notice of Hearing

Robert Douglas McLean

Section 161 of the *Securities Act*, RSBC 1996, c. 418

¶ 1

A hearing will be held (the Hearing) to give Robert Douglas McLean (McLean) an opportunity to be heard before the British Columbia Securities Commission (the Commission) considers whether it is in the public interest to make the following orders:

1. under section 161(1)(c) of the *Securities Act*, R.S.B.C. 1996, c. 418 (the Act) that any or all of the exemptions described in sections 44 to 47, 74, 75, 98 or 99 of the Act do not apply to McLean;
2. under section 161(1)(b) of the Act that McLean cease trading in any securities or exchange contracts;
3. under section 161(1)(d) of the Act that McLean resign any position he holds as a director or officer of any issuer;
4. under section 161(1)(d) of the Act that McLean be prohibited from becoming or acting as a director or officer of any issuer;
5. under section 162 of the Act that McLean pay an administrative penalty;
6. under section 174 of the Act that McLean pay prescribed fees or charges for the costs of, or related to, the Hearing; and
7. to make any other orders as may be appropriate in the circumstances.

¶ 2

The Commission will be asked to consider the following facts and allegations in making its determination:

1. McLean became a director of, and therefore an insider of, Markatech Industries Corporation (Markatech) (now Ameratech Systems Corporation) in November 1986. McLean remained an insider of Markatech until his resignation as a director and officer in December 1999.
2. Markatech was incorporated in British Columbia in December 1979.

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3. During the period from September 1996 to October 1998 (The Relevant Period) Markatech was a reporting issuer and remained a reporting issuer under the Act.
4. Markatech's securities were listed and posted for trading on the Vancouver Stock Exchange (The VSE) in the Relevant Period until November 1999, and on the Canadian Venture Exchange (the CDNX) from November 1999 to May 2000 (the VSE and CDNX are collectively referred to as the Exchange).
5. McLean filed insider reports with the Commission for some transactions during the Relevant Period, dated September and October 1996. However, those reports were incomplete and during the Relevant Period, McLean made changes in his direct or indirect beneficial ownership of, or control or direction over, securities of Markatech, including through accounts over which he had control or direction, for which he filed no insider reports, including:
 - (a) the purchase of approximately 1,406,500 shares on the Exchange; and
 - (b) the disposition of approximately 1,880,500 shares on the Exchange,amounting to approximately 18.82% of the activity in the securities of Markatech on the Exchange in the Relevant Period.
6. On October 29, 1998, a Cease Trade Order Under Section 164 of the Act was issued against McLean, in respect of the securities of Markatech.
7. As at the date of this Notice of Hearing, McLean has still not filed any insider reports with the Commission respecting changes in his direct or indirect beneficial ownership of, or control or direction over securities of Markatech in the Relevant Period, except as set out in paragraph 5.
8. McLean, by failing to file insider reports disclosing his direct or indirect beneficial ownership of, control or direction over, securities of Markatech, and the change or changes in his direct or indirect beneficial ownership, or control or direction over, securities of Markatech during the Relevant Period, within 10 days after the end of the month in which the change took place, breached section 87 of the Act then in force, section 70 of the *Securities Act*, S.B.C. 1985, c.83 as amended, and acted contrary to the public interest.

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¶ 3

McLean may be represented by counsel at the Hearing, and make representations and lead evidence. McLean is requested to advise the Commission of his intention to attend the Hearing by informing the Commission Secretary at P.O. Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2, phone: (604) 899-6500; or email: commsec@bcsc.bc.ca.

¶ 4

McLean or his counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on Wednesday, June 19 at 9:30 am if he wishes to be heard before the Commission sets a date for the Hearing.

[para 5]

Determinations may be made in this matter if McLean, or his counsel, do not appear at the Hearing.

[para 6]

May 23, 2002.

Steve Wilson
Executive Director