

2007 BCSECCOM 554

Notice of Hearing

MDMI Technologies Inc. and James Richard Elliott

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

- ¶ 1 The Commission will hold a hearing at which the Executive Director will tender evidence, make submissions, and apply for orders against MDMI Technologies Inc. and James Richard Elliott (the Respondents) under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418, based on the following facts.

Background

1. MDMI Technologies Inc. (MDMI) was incorporated federally on February 17, 1998 and registered extra-provincially in British Columbia on June 6, 2001. MDMI was cease-traded on June 15, 2005, for failing to file distribution reports. MDMI has never been registered or filed a prospectus under the Act.
2. MDMI was founded to pursue medical devices that are minimally invasive. MDMI's primary product is the Thermablate unit. MDMI is selling the Thermablate unit in Canada and elsewhere.
3. James Elliott was a director, the president, and chief executive officer of MDMI from July 27, 1998 until April 23, 2005. He is a resident of British Columbia and was registered with the Commission as a Salesperson in British Columbia from 1985 to 1987.

Misconduct

Illegal Trading and Distribution

4. James Elliott held presentations, met with investors and marketed the shares of MDMI from April 1999 to March 2005.
5. Between February 2002 and March 2005, MDMI and James Elliott sold MDMI shares to 262 British Columbia investors who paid approximately \$2,306,105 for their shares.
6. MDMI and James Elliott acted contrary to sections 34(1)(a) and 61 of the Act by distributing shares without registration and without filing a prospectus.

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Liability as Officer and Director

7. As officer and director of MDMI, James Elliott authorized, permitted or acquiesced in MDMI's contraventions of sections 34(1) and 61 of the Act and, therefore, pursuant to section 168.2 of the Act, he contravened the same provisions.

Hearing Process

- ¶ 2 At the Hearing, the Respondents may be represented by counsel, make submissions and tender evidence. The Respondents are requested to advise the Commission of their intention to attend the Hearing by informing the Commission Secretary at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: commsec@bcsc.bc.ca.
- ¶ 3 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on Wednesday, September, 26, 2007, at 9:00 am if they wish to be heard before the Commission sets a date for the Hearing.
- ¶ 4 If the Respondents or their counsel do not appear at the Hearing, the Executive Director may apply to have questions of liability and sanction heard at the same time. Determinations adverse to the Respondents may be made in their absence.
- ¶ 5 August 23, 2007

Langley E. Evans
- ¶ 6 Langley E. Evans, CA
A/Executive Director