

2010 BCSECCOM 668

Notice of Hearing

**Photo Violation Technologies Corp.,
Frederick Lawrence Marlatt, also known as Frederick
Lawrence Mitschele, Michael Wallace Minor, and Michael
Garfield Timothy Minor, also known as Tim Minor
(the Respondents)**

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 the Respondents under sections 161, 162, and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

Background

1. Photo Violation Technologies Corp. (PVT) was a federal company registered in British Columbia with a head office in Vancouver, BC. PVT has never been registered to trade securities and has never filed a prospectus under the Act.
2. PVT's primary business was to develop, promote and sell proprietary technology for enforcing parking meter violations.
3. Frederick Lawrence Marlatt, also known as Frederick Lawrence Mitschele (Mitschele), is a resident of British Columbia and was a director, president and the CEO of PVT at all relevant times.
4. Michael Wallace Minor (M. Minor) is a resident of British Columbia and was a director of PVT at all relevant times.
5. Michael Garfield Timothy Minor, also known as Tim Minor (T. Minor), is M. Minor's father and is a resident of British Columbia. T. Minor carried out investor relations activities on behalf of PVT at all relevant times.
6. None of Mitschele, M. Minor, or T. Minor has ever been registered to trade securities under the Act.

Misconduct

Illegal Trading and Distributions

7. Between August 2005 and June 2008 (the relevant period), the Respondents organized presentations, met with investors and marketed the shares of PVT.

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8. During the relevant period, the Respondents distributed PVT securities to approximately 322 investors, raising approximately \$5,200,000.
9. In respect of at least 280 investors who invested approximately \$3,700,000, PVT purported to rely on the Family, Friends and Business Associates, and Accredited Investor exemptions from the registration and prospectus requirements of the Act, none of which applied in the circumstances.
10. By trading and distributing PVT securities without being registered or having filed a prospectus, the Respondents contravened sections 34 and 61 of the Act.
11. Mitschele and M. Minor, as officers and directors of PVT, authorized, permitted or acquiesced in PVT's contraventions of sections 34 and 61 of the Act and, therefore, also contravened the same provisions under section 168.2 of the Act.

Hearing Process

- ¶ 2 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on **Wednesday, January 5, 2011, at 2:00 pm** if they wish to be heard before the Commission sets a date for the Hearing. Relevant information gathered by Staff in the investigation of this matter will be disclosed to the Respondents upon request to the Executive Director.
- ¶ 3 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 Secretary to the Commission at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: commsec@bcsc.bc.ca.
- ¶ 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 December 7, 2010

Paul C. Bourque
- ¶ 6 Paul C. Bourque, Q.C.
Executive Director