

2007 BCSECCOM 114

Settlement Agreement

Stanley Steven Ross

Securities Act, RSBC 1996, c. 418

- ¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director) and Stanley Steven Ross (Ross) agree as follows:

Agreed Statement of Facts

1. Ross was a British Columbia resident at all relevant times.
2. From 1984 to 1997, Ross was registered under the *Securities Act* (the Act) to trade securities in British Columbia.
3. On July 19, 1999, the Executive Director issued an order against Ross (the Order), which was in effect until July 19, 2006. Among other things, the Order stated that certain exemptions from the trading and distribution requirement of the Act did not apply to Ross for 7 years.
4. Fortune Capital Management Inc. (Fortune) is a British Columbia company. Ross is the sole director, officer, and owner of Fortune.

Misconduct

Unregistered trading

5. Between 2000 and 2004, while in British Columbia, Ross traded in securities while unregistered and without exemptions when he bought and sold securities:
 - (a) in his name and Fortune's name at a securities dealer in Ontario; and
 - (b) in an account held by a third party in British Columbia (the Third Party Account),contrary to section 34 of the Act.
6. Between 2000 and 2004, Ross' trading activity included 551 trades where he bought and sold in excess of 650,000 shares of a company listed on the Over-the-Counter Bulletin Board in the United States.
7. Of the 551 trades, some of the trades in the Third Party Account were made by directly instructing the registered representative, who was known to Ross, to make purchases and dispositions.

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Undertakings

8. Ross will pay \$50,000 to the Executive Director in respect of settlement of this matter which sum is due and payable immediately without further demand.

Order

- ¶ 2 The Executive Director will issue an order (the Order) that under sections 161(1)(a) (b) (d) (i) (ii) (iii) of the Act, Ross:
1. comply fully with the Act, the *Securities Rules*, and any applicable regulations;
 2. resign any position he may hold as a director or officer of any issuer; and
 3. for a period of 7 years from the date of the Order Ross will:
 - (a) cease trading in and be prohibited from purchasing any securities;
 - (b) be prohibited from becoming or acting as a director or officer of any issuer except that he may continue to act as a director or officer of Fortune Capital Management Inc. as long as it remains a privately held company of which Ross is the sole shareholder; and
 - (c) be prohibited from engaging in investor relations activities.

¶ 3 **Consent to Reciprocal Orders**

Any securities regulator in Canada may rely on the facts admitted in this agreement solely for the purpose of making an order similar to the one contemplated above.

Waiver

- ¶ 4 Ross waives any right he may have, under the Act or otherwise, to a hearing,

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hearing and review, judicial review or appeal related to, in connection with, or incidental to this settlement, other than as agreed upon by the parties.

¶ 5 March 9, 2007

¶ 6 “Stanley Ross”
Stanley Steven Ross

“M. Schluter”)
Witness)
Marlene C. Schluter)
Witness Name (please print))
4836 Sinclair Bay Road)
Address)
Garden Bay, BC V0N 1S0)
)
Businesswoman)
Occupation)

¶ 7 March 9, 2007

¶ 8 Brenda M. Leong
Executive Director