

2008 BCSECCOM 115

Settlement Agreement

CWM Investment Counsel Inc.

Securities Act, RSBC 1996, c. 418

- ¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director) and CWM Investment Counsel Inc. (CWM) agree as follows:

Agreed Statement of Facts

1. CWM is, and throughout the period in question was, registered as an investment counsel and portfolio manager in the province of Alberta.
2. CWM was not registered in any capacity under the *Securities Act, RSBC 1996, c. 418* until January 21, 2008, when it became registered as an investment counsel and portfolio manager.
3. From July 1991 to January 20, 2008, CWM provided investment advice to as many as 20 clients who were BC residents.
4. All of the clients became clients of CWM while residents in Alberta and subsequently moved to BC.
5. By advising BC residents without being registered to do so, CWM breached section 34 of the Act.

Mitigating Factors

6. Staff of the Commission is not aware of any complaints having been made by CWM's BC resident clients.
7. CWM does not have a previous regulatory history with the Commission.
8. CWM actively cooperated with staff of the Commission during the course of the investigation of this matter.
9. CWM did not solicit potential new clients in BC.

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Public Interest

10. CWM acted contrary to the public interest by engaging in the conduct set out above.

Undertaking

11. CWM will pay \$92,575 to the Commission, which sum is due and payable immediately without further demand. This includes \$29,575 in respect of registration fees that otherwise would have been payable to the Commission if CWM had been registered under the Act as required.

Order

¶ 2 The Executive Director will issue an order (the Order) that:

1. under section 161(1)(a) of the Act, CWM will comply fully with the Act, the *Securities Rules*, B.C. Reg. 194/97, and any applicable regulations; and
2. under section 161(1)(j) of the Act, CWM be reprimanded.

Consent to Reciprocal Orders

¶ 3 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 CWM waives any right it may have, under the Act or otherwise, to a hearing, hearing and review, judicial review or appeal related to, in connection with, or incidental to this settlement.

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Counterpart

¶ 5 This Settlement Agreement may be executed in counterpart or by facsimile execution and all such counterparts of executed copies or faxed copies shall be read or construed together as if they formed one originally executed document.

¶ 6 February 19 , 2008

¶ 7 “Mark Bragagnolo”
CWM Investment Counsel Inc.
(Signing Authority)

Mark S. Bragagnolo
Print Signing Authority Name

“Paul Boeda”)

Witness Signature)

_____)

Paul Boeda)

Witness Name (please print))

400-736-8th Avenue SW)

Calgary AB)

Address)

CEO)

Occupation)

¶ 8 February 21, 2008

¶ 9 “Brenda M. Leong”
Executive Director