

2008 BCSECCOM 531

Settlement Agreement

Lester Asset Management Inc.

Securities Act, RSBC 1996, c. 418

- ¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director) and Lester Asset Management Inc. (Lester) agree as follows:

Agreed Statement of Facts

1. Lester is, and was from June 13, 1988, registered as an unrestricted practice advisor in the province of Quebec.
2. Lester was not registered in any capacity under the *Securities Act*, RSBC 1996, c. 418 until October 31, 2007, when it became registered as a portfolio manager and investment counsel.
3. From 1999 to October 30, 2007, Lester provided investment advice to as many as three clients who were BC residents.
4. By advising BC residents without being registered to do so, Lester breached section 34 of the Act.

Mitigating Factors

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

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Public Interest

9. Lester acted contrary to the public interest by engaging in the conduct set out above.

Undertaking

10. Lester will pay \$19,825 to the Commission, which is due and payable immediately without further demand. This includes \$13,825 in respect of registration fees that otherwise would have been payable to the Commission if Lester 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, Lester 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, Lester 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 Lester 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 August , 2008

¶ 7 “Kenneth Lester”
Lester Asset Management Inc.
(Signing Authority)

Kenneth Lester
Print Signing Authority Name

“Andrew Gertler”)

Witness Signature)

Andrew Gertler)

Witness Name (please print))

_____)

_____)

Address)

_____)

Occupation)

¶ 8 September 26, 2008

“B. Leong”

¶ 9 Brenda M. Leong
Executive Director