Citation: 2015 BCSECCOM 78

Michael Patrick Lathigee and Earle Douglas Pasquill, FIC Real Estate Projects Ltd., FIC Foreclosure Fund Ltd., WBIC Canada Ltd.

***Securities Act*, RSBC 1996, c. 418**

Hearing

Panel	Audrey T. Ho	Commissioner
	Judith Downes	Commissioner
Hearing Date	February 13, 2015	
Date of Decision	March 16, 2015	

Appearing

Derek Chapman	For the Executive Director
H. Roderick Anderson Owais Ahmed	For the Respondents

Decision

I Introduction

¶ 1 This is the sanctions portion of a hearing pursuant to sections 161(1) and 162 of the *Securities Act*, RSBC, 1996, c.418. The Findings on liability, made on July 8, 2014 (2014 BCSECCOM 264), are part of this decision. Since the Findings, the panel chair, Vice Chair Brent W. Aitken, retired and did not participate in the sanctions hearing or any deliberations regarding sanctions.

¶ 2 The Findings panel found that:

a) all the respondents perpetrated a fraud, contrary to section 57(b) of the Act, when they raised $21.7 million from 698 investors without disclosing to them the important fact of FIC Group's financial condition; and

b) Michael Patrick Lathigee, Earle Douglas Pasquill and FIC Foreclosure Fund Ltd. perpetrated a second fraud, contrary to section 57(b), when they raised $9.9 million from 331 investors in FIC Foreclosure for the purpose of investing in foreclosure properties and instead used most of the funds to make unsecured loans to other FIC Group companies.

II Position of the Parties

¶ 3 The executive director seeks:

a) permanent market prohibitions against the respondents, under sections 161(1)(b), (c) and (d) of the Act;

b) disgorgement orders against the respondents under section 161(1)(g), for the amounts obtained by them, respectively, in contravention of the Act, as follows:

- Lathigee - $21.7 million
- Pasquill - $21.7 million
- FIC Real Estate Projects Ltd. - $9.8 million
- FIC Foreclosure - $9.9 million
- WBIC Canada Ltd. - $2 million; and

c) administrative penalties against the respondents under section 162, in the same amount as the section 161(1)(g) order sought against each of them.

¶ 4 The respondents submitted that the appropriate sanctions are as follows:

a) 10-year market prohibitions against the respondents, under sections 161(1)(b) and (d), subject to two carve-outs:

- Lathigee and Pasquill may trade through a registered dealer in their own RRSP and cash accounts
- Lathigee and Pasquill may each act as a director and officer of an issuer whose shares are solely owned by him or by him and his immediate family;

b) no disgorgement orders against any of the respondents;

c) administrative penalties against each of Lathigee and Pasquill in the amount of $500,000; and

d) no administrative penalties against the corporate respondents.

III Analysis

A Factors

¶ 5 Orders under sections 161(1) and 162 are protective and preventative, intended to be exercised to prevent future harm. See *Committee for Equal Treatment of Asbestos Minority Shareholders v. Ontario (Securities Commission)* 2001 SCC 37.

¶ 6 In *Re Eron Mortgage Corporation* [2000] 7 BCSC Weekly Summary 22, the Commission identified factors relevant to sanction as follows (at page 24):

> In making orders under sections 161 and 162 of the Act, the Commission must consider what is in the public interest in the context of its mandate to regulate trading in securities. The circumstances of each case are different, so it is not possible to produce an exhaustive list of all of the factors that the Commission considers in making orders under sections 161 and 162, but the following are usually relevant:
>
> - the seriousness of respondent's conduct,
> - the harm suffered by investors as a result of the respondent's conduct,
> - the damage done to the integrity of the capital markets in British Columbia by the respondent's conduct,
> - the extent to which the respondent was enriched,
> - factors that mitigate the respondent's conduct,
> - the respondent's past conduct,
> - the risk to investors and the capital markets posed by the respondent's continued participation in the capital markets of British Columbia,
> - the respondent's fitness to be a registrant or to bear the responsibilities associated with being a director, officer or adviser to issuers,
> - the need to demonstrate the consequences of inappropriate conduct to those who enjoy the benefits of access to the capital markets,
> - the need to deter those who participate in the capital markets from engaging in inappropriate conduct, and
> - orders made by the Commission in similar circumstances in the past.

B Application of the Factors

Seriousness of the conduct

¶ 7 The Commission has consistently held that fraud is the most serious misconduct prohibited by the Act. In *Manna Trading Corp Ltd.*, 2009 BCSECCOM 595, the Commission, at paragraph 18, said, "Nothing strikes more viciously at the integrity of our capital markets than fraud."

¶ 8 The magnitude of the fraud perpetrated in this case is among the largest in British Columbia history. The respondents raised $21.7 million from 698 investors without telling them that the FIC Group had a severe cash flow problem. A relatively small number of potential events could have triggered its insolvency in a very short time frame. Three of the respondents led FIC Foreclosure's 331 investors to believe that the $9.9 million raised from them would be invested in foreclosure properties and soon. Instead, FIC Foreclosure used most of the funds to make unsecured loans to other FIC Group companies.

Harm to investors; damage to capital markets

¶ 9 The respondents' misconduct has harmed a large number of investors. The respondents provided no evidence that the investors will be able to recover their investments.

¶ 10 The harm to the reputation and integrity of our capital markets is also clear.

Enrichment

¶ 11 The executive director and the respondents each tendered evidence to establish (or refute) if, and to what extent, Lathigee and Pasquill received any of the fraudulently raised funds for their personal benefit.

¶ 12 The FIC Group was run, from a financial point of view, as one entity. The evidence before us indicates that the bulk of the $21.7 million was used for the benefit of the FIC Group of companies.

Mitigating or aggravating factors

¶ 13 There are no mitigating factors. There are no aggravating factors beyond the ones cited below under the heading "Past Conduct".

¶ 14 Lathigee and Pasquill argued that their conduct after 2008, the year in which the funds at issue were raised, is a mitigating factor. They said that they (and Pasquill in particular) have worked to help the FIC Group recover assets through various means including lawsuits against third parties, kept the companies' filings in good standing, worked with the companies' receiver, and communicated with investors to keep them up to date on progress and answer all their questions.

¶ 15 We do not see how Lathigee's and Pasquill's conduct after the funds were raised, as described in paragraph 14, lessens the gravity of their fraudulent acts, and we do not consider it to be a mitigating factor. In addition, we do not consider their co-operation in the other proceedings to be a mitigating factor in considering sanctions in this proceeding. See: *Rashida Samji et al* 2015 BCSECCOM 29 (paragraph 16).

¶ 16 Lathigee and Pasquill also argued that the fact that the fraud was not designed to enrich them is a mitigating factor. We do not agree. If we had found that the fraud was designed to enrich them, that would be an aggravating factor. The absence of an aggravating factor does not equate to the presence of a mitigating factor.

Past conduct

¶ 17 Lathigee, Pasquill and WBIC have a history of regulatory misconduct.

¶ 18 As more particularly described in paragraphs 14-16 of the Findings,

a) In December 2005, Commission staff issued cease trade orders against three FIC Group companies (WBIC, FIC Investments Ltd. and China Dragon Fund Ltd.) for using forms of offering memoranda that did not comply with the requirements of

the Act. Lathigee and Pasquill were directors and officers of each company at the time.

b) In June 2007, Lathigee, Pasquill, WBIC and China Dragon entered into a settlement agreement with the Commission and admitted to certain securities law violations. Lathigee agreed to pay a $60,000 fine and Pasquill agreed to pay a $30,000 fine.

¶ 19 In addition, on September 2, 2008 (after the fund raising period in this case), the executive director issued a further cease trade order against WBIC. This order was related to inadequate disclosure in WBIC's offering memoranda dated June 1, 2007 and February 1, 2008 regarding: risk factors related to the investments, investments made by WBIC in related companies, and material agreements entered into by WBIC including loan guarantees. Lathigee and Pasquill were directors and officers of WBIC at the time.

Risk to investors and markets

¶ 20 For the reasons discussed below, we find the respondents to be a serious ongoing risk to the capital markets and permanent market bans are warranted.

¶ 21 First, those who commit fraud represent the most serious risk to our capital markets. Here, the fraud is significant.

¶ 22 Second, WBIC and the individual respondents' multiple past infractions show they do not respect securities laws. They were not deterred by orders and sanctions from prior infractions.

¶ 23 Third, Lathigee remained active in the capital markets after his involvement in the FIC Group, co-founding an investment club in Las Vegas with a mandate that resembles the FIC Group's mandate. When talking about his background, he was not forthcoming about his regulatory history.

¶ 24 The executive director submitted a video posted on YouTube in April 2014. This was a year after the issuance of the Notice of Hearing in this case but before the liability hearing.

¶ 25 According to the video, entitled "Experts of Southern Nevada", which is in the format of an interview of Lathigee:

a) Lathigee now lives in Las Vegas and is a co-founder and leader of an investment club called the Las Vegas Investment Club;

b) The mandate of the club appears quite similar to the mandate of the FIC Group;

c) Lathigee talked about the strategy of investing in tax liens and tax deeds, and claimed a lot of success in the past with investing in these liens and deeds;

d) Lathigee claimed that he had previously built the largest investment club in North America that grew to $100 million in assets under management; and

e) Lathigee talked about some of his past successes and background but there was no mention of his regulatory history in British Columbia.

Specific and general deterrence

¶ 26 The sanctions we impose must be sufficient to ensure that the respondents and others will be deterred from engaging in similar misconduct.

Previous orders

¶ 27 The executive director referred us to three recent decisions of this Commission that dealt with fraud: *IAC – Independent Academies Canada Inc.* 2014 BCSECCOM 260, *David Michael Michaels et al* 2014 BCSECCOM 457, and *Samji*.

¶ 28 In *IAC*, the respondents raised $5.1 million from investors without filing a prospectus. Of that amount, $1.645 million was raised fraudulently. The respondents did not tell investors that the property to be developed with their money was in foreclosure. The panel ordered permanent market bans, an administrative penalty of $7 million against the individual respondents on a joint and several basis, plus a section 161(1)(g) order against all the respondents for the money that was raised illegally.

¶ 29 In *Michaels*, the panel found that Michaels convinced people to purchase $65 million of securities through fraud, misrepresentation and unregistered advising. Michaels received $5.8 million in commissions and fees from the scheme. The circumstances in *Michaels* are different from the present case in that the investments made by Michaels' clients went into investments in accordance with their intentions. However, the panel found that the seriousness of the misconduct was heightened by Michaels' predatory behavior in targeting seniors. The panel there ordered permanent market bans, an administrative penalty of $17.5 million, plus a section 161(1)(g) order for $5.8 million against Michaels.

¶ 30 In *Samji*, the panel found that Samji operated a $100 million Ponzi scheme and defrauded at least 200 investors. The panel ordered permanent market bans, an administrative penalty of $33 million, plus a section 161(1)(g) order of approximately $11 million representing the difference between the monies deposited by investors under the Ponzi scheme and the monies paid out to them, against Samji and the corporate respondents on a joint and several basis.

C Appropriate Orders

a) Market prohibitions

¶ 31 Fraud is the most serious misconduct prohibited by the Act. Permanent market prohibitions are common for those found to have committed fraud.

¶ 32 For the reasons already stated, we conclude that it is not in the public interest to allow the respondents to operate in the capital markets. We find that a permanent market ban against the respondents is necessary to protect the markets and the investing public, subject to two carve-outs:

a) We are prepared to allow Lathigee and Pasquill to trade for their own accounts through a registered dealer. We do not see any risk to the investing public by doing so.

b) We are also prepared to allow Lathigee to act as a director and officer of one private issuer whose securities are owned solely by him or by him and his immediate family. He is currently the director and officer of such a company, and we see no risk to the investing public by allowing him to continue. We are not granting this carve-out to Pasquill as he indicated that he has no need for it.

b) Orders under section 161(1)(g)

¶ 33 Section 161(1)(g) states that the Commission may order:

> "(g) if a person has not complied with this Act, … that the person pay to the commission any amount obtained, or payment or loss avoided, directly or indirectly, as a result of the failure to comply or the contravention;"
> (emphasis added)

¶ 34 The respondents challenged our authority to make a section 161(1)(g) order (sometimes referred to as a "disgorgement order") against the individual respondents. They argued that, for section 161(1)(g) to apply, the respondent against whom the order is issued must have obtained a payment or avoided a loss, directly or indirectly, as a result of the contravention of the Act. They said there is no evidence that Lathigee and Pasquill obtained any payment or avoided any loss as a result of their contraventions of the Act.

¶ 35 The respondents argued that to order disgorgement against a respondent who has not obtained any money as a result of a contravention would improperly punish the respondent or, alternatively, wrongly duplicate the purpose of an administrative penalty. They relied on *Manna Trading*, which stated (in paragraph 36) that the purpose behind section 161(1)(g) orders is to remove "the incentive of profiting from illegal misconduct" and to return money obtained by contravening the Act.

¶ 36 The executive director disagreed. He argued that it is clear from a plain reading of section 161(1)(g) that it is not limited to requiring payment of the amount obtained by a respondent. He cited *Oriens Travel & Hotel Management Ltd.* 2014 BCSECCOM 91 and *Michaels*.

¶ 37 The Commission in *Oriens* and *Michaels* held that an order against a respondent for payment of the full amount obtained as a result of his contravention of the Act is possible without having to establish that the amount obtained through the contravention was obtained by that respondent. We agree.

¶ 38 We do not read *Manna Trading* as supporting the respondents' interpretation of section 161(1)(g). The panel there found four individual respondents to have perpetrated a fraud and ordered each of them to pay to the Commission under section 161(1)(g) the full amount obtained by the fraud without regard to the finding that they were personally enriched by different amounts. That panel concluded it was not necessary, in making orders under section 161(1)(g), to trace investor funds into the hands of the respondents. It said (at paragraph 44) that each respondent's individual contraventions, directly or indirectly, resulted in the investment of US$16 million in the Manna Ponzi scheme and ordered each of them to pay that amount under section 161(1)(g), as it was "the amount obtained, directly or indirectly, as a result of their individual contraventions of the Act."

¶ 39 We also find instructive the decision of the Ontario Securities Commission (OSC) in *Limelight Entertainment Inc.* (2008) 31 O.S.C.B. 12030 (cited in *Michaels*).

¶ 40 The Ontario Securities Act contains provisions that are identical in all relevant respects to section 161(1)(g). In *Limelight*, the OSC stated, in paragraph 49:

> "We noted that paragraph 10 of subsection 127(1) of the Act provides that disgorgement can be ordered with respect to "any amounts obtained" as a result of non-compliance with the Act. Thus, the legal question is not whether a respondent "profited" from the illegal activity but whether the respondent "obtained amounts" as a result of that activity. In our view, this distinction is made in the Act to make clear that all money illegally obtained from investors can be ordered to be disgorged, not just the "profit" made as a result of the activity. … In our view, where there is a breach of Ontario securities law that involves the widespread and illegal distribution of securities to members of the public, it is appropriate that a respondent disgorge all the funds that were obtained from investors as a result of that illegal activity. …"

¶ 41 In *Limelight*, the OSC found two individual respondents, Da Silva and Campbell, to be the directing minds and principal shareholders of Limelight, and to have committed illegal acts both personally and through their control and direction over Limelight and its salespersons. The OSC ordered disgorgement jointly from Limelight, Da Silva and Campbell of the entire amount raised. In doing so, the OSC stated, in paragraph 59:

> "In our view, individuals should not be protected or sheltered from administrative sanctions by the fact that the illegal actions they orchestrated were carried out through a corporation which they directed and controlled. In this case, Limelight, Da Silva and Campbell acted in concert with a common purpose in breaching key provisions of the Act."

¶ 42 We agree with the principles articulated and approaches taken in the illegal distribution and fraud cases canvassed above. They are even more compelling in cases of fraud. We should not read section 161(1)(g) narrowly to shelter individuals from that sanction where the amounts were obtained by the companies that they directed and controlled.

¶ 43 We find we have the authority to order disgorgement against the individual respondents in this case, up to $21.7 million, the full amount obtained by fraud.

¶ 44 We next considered whether we should exercise our discretion to make section 161(1)(g) orders against each respondent and in what amount.

¶ 45 With respect to the individual respondents, they submitted that the panel should not make such an order against them even if we have the authority, because they were not personally enriched and they only received reasonable compensation from the FIC Group.

¶ 46 The principles articulated in the cited cases apply equally to this case. Lathigee and Pasquill, personally and with the corporate respondents that they directed, committed fraud on close to 700 investors. They were the directing and controlling minds of the corporate respondents. They should not be protected or sheltered from sanctions by the fact that the illegal actions they orchestrated were carried out through corporate vehicles. The amounts obtained from investors need not be traced to them specifically and we find that $21.7 million was obtained, directly or indirectly, as a result of their individual contraventions of the Act.

¶ 47 With respect to the corporate respondents, they obtained the amount raised by them respectively as a result of their individual contraventions of the Act. But, they submitted that a section 161(1)(g) order should not be made against them as they have no ability to pay, and such an order may result in their entering into bankruptcy to the prejudice of the investors.

¶ 48 A respondent's ability to pay is not a relevant consideration. Even if it were, the respondents did not provide any evidence that the corporate respondents would have the money to pay the investors if we decline to make a section 161(1)(g) order.

¶ 49 Each respondent's misconduct contributed to the raising of the $21.7 million fraudulently. We find that it is in the public interest to order the respondents to pay the full amount obtained as a result of their fraud. Accordingly, we order the respondents to pay to the Commission, jointly and severally, the respective amounts set out in paragraph 62(d) below.

c) Administrative Penalty

¶ 50 Under section 162 of the Act, where the Commission has determined that a person has contravened a provision of the Act, it "may order the person to pay the commission an administrative penalty of not more than $1 million for each contravention".

¶ 51 The respondents first argued that the executive director had only alleged, and the Findings panel had only found, that the respondents committed one act of fraud when they raised the $21.7 million and three respondents committed a second act of fraud when they raised the $9.9 million. Therefore, the respondents argued that this panel has no authority to order any penalty under section 162 in excess of $2 million against the three respondents who committed fraud twice and $1 million against the remaining respondents.

¶ 52 The executive director disagreed. He said the notice of hearing alleged that the fraudulent conduct involved 698 investors who invested $21.7 million, and 331 investors who invested the $9.9 million. Therefore, a separate fraud was perpetrated with respect to each investor, which means the respondents contravened section 57(b) a total of 1,029 times (698 with respect to the FIC Group investors and 331 with respect to the FIC Foreclosure investors).

¶ 53 We agree with the executive director. His interpretation is consistent with the language in the Findings. The Findings panel stated, "We find that the respondents perpetrated a fraud on those investors, contrary to section 57(b) of the Act" [emphasis added], with respect to the 698 FIC Group investors (paragraph 303), and again with respect to the 331 FIC Foreclosure investors (paragraph 357).

¶ 54 Therefore, the respondents perpetrated a fraud each time they traded securities to an investor. As with *Manna Trading* and *Samji*, where a similar argument was advanced, the respondents in this case contravened section 57(b) multiple times in their dealings with hundreds of investors. There are, therefore, hundreds of contraventions for which we could order an administrative penalty.

¶ 55 Much of the parties' submissions focused on the quantum of the administrative penalty against the individual respondents.

¶ 56 Some Commission panels had used a two or three times multiplier on the amount of the fraud as a guide in determining the appropriate sanction. See, for example, *IAC*. There is no hard and fast rule. It is trite to say that each case is different and we must look at the circumstances unique to the case.

¶ 57 The respondents here suggested that the administrative penalty should be $500,000 for each individual respondent. But if the panel applies a multiplier, then it should be based only on the amounts paid by the corporate respondents to the individual respondent personally or to his holding companies.

¶ 58 Even if we consider the amounts paid by all the FIC Group companies to each individual respondent since January 2008, the evidence suggests they totaled less than $400,000, and a three times multiplier would be $1.2 million. In our view, that is far too low for specific and general deterrence in light of the magnitude of the fraud.

¶ 59 Here, the misconduct is greater in magnitude and seriousness than that in *IAC*, and not as egregious as that in *Michaels*. In our view, an administrative penalty of $21.7 million (in addition to the $21.7 million disgorgement) against each individual respondent as requested by the executive director is not necessary for meaningful specific and general deterrence. We find $15 million to be proportionate to the harm done, making it appropriate for the respondents personally and sufficient to serve as a meaningful and substantial general deterrence to others. A $15 million administrative penalty against each respondent is in line with the penalties ordered in *IAC* and *Michaels*.

¶ 60 We do not draw any material distinction between the responsibility that Lathigee and Pasquill have for the misconduct. The administrative penalty should be the same with respect to both of them.

¶ 61 We do not find it serves the public interest or any useful purpose to impose an administrative penalty against the corporate respondents. They were controlled by Lathigee and Pasquill and did not act independently of the directions from the two individuals. There is no need for specific deterrence against them. In our opinion, general deterrence can be achieved through administrative penalties against the individual respondents.

IV Orders

¶ 62 Considering it to be in the public interest, and pursuant to sections 161 and 162 of the Act, we order that:

a) FIC Real Estate Projects Ltd., FIC Foreclosure Fund Ltd., WBIC Canada Ltd. (the "corporate respondents")

i. under section 161(1)(b)(i), all persons permanently cease trading in, and be permanently prohibited from purchasing, any securities or exchange contracts of the corporate respondents;

ii. under section 161(1)(d)(v), the corporate respondents are permanently prohibited from engaging in investor relations activities;

iii. under section 161(1)(c), on a permanent basis, none of the exemptions set out in the Act, the regulations or decisions (as those terms are defined by the Act), will apply to any of the corporate respondents; and

iv. subject to paragraph 62(d) below, under section 161(1)(g), the corporate respondents pay to the Commission the amounts obtained, directly or indirectly, as a result of their contraventions of the Act, as follows:

- FIC Projects - $9.8 million
- FIC Foreclosure - $9.9 million
- WBIC - $2 million;

b) Lathigee

i. subject to the exception in paragraph 62(b)(ii)(b) below, under section 161(1)(d)(i), Lathigee resign any position he holds as a director or officer of an issuer or registrant;

ii. Lathigee be permanently prohibited:
   (a) under section 161(1)(b)(ii), from trading in or purchasing any securities or exchange contracts, except that he may trade and purchase them for his own account through a registrant if he gives the registrant a copy of this decision;
   (b) under section 161(1)(d)(ii), from becoming or acting as a director or officer of any issuer or registrant, except that he may act as a director or officer of one issuer whose securities are solely owned by him or by him and his immediately family members (being: Lathigee's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, or brother or sister-in-law);
   (c) under section 161(1)(d)(iii), from becoming or acting as a promoter;
   (d) under section 161(1)(d)(iv), from acting in a management or consultative capacity in connection with activities in the securities market; and
   (e) under section 161(1)(d)(v), from engaging in investor relations activities;

iii. under section 161(1)(c), except for those exemptions necessary to allow Lathigee to trade or purchase securities and exchange contracts for his own account, on a permanent basis, none of the exemptions set out in the Act, the regulations or decisions (as those terms are defined by the Act), will apply to Lathigee;

iv. subject to paragraph 62(d) below, under section 161(1)(g), Lathigee pay to the Commission $21.7 million, being the total amount obtained, directly or indirectly, as a result of his contraventions of the Act; and

iv. under section 162, Lathigee pay an administrative penalty of $15 million;

c) Pasquill

i. under section 161(1)(d)(i), Pasquill resign any position he holds as a director or officer of an issuer or registrant;

ii. Pasquill be permanently prohibited:
   (a) under section 161(1)(b)(ii), from trading in or purchasing any securities or exchange contracts, except that he may trade and purchase them for his own account through a registrant if he gives the registrant a copy of this decision;
   (b) under section 161(1)(d)(ii), from becoming or acting as a director or officer of any issuer or registrant;
   (c) under section 161(1)(d)(iii), from becoming or acting as a promoter;
   (d) under section 161(1)(d)(iv), from acting in a management or consultative capacity in connection with activities in the securities market; and
   (e) under section 161(1)(d)(v), from engaging in investor relation activities;

iii. under section 161(1)(c), except for those exemptions necessary to allow Pasquill to trade or purchase securities and exchange contracts for his own account, on a permanent basis, none of the exemptions set out in the Act, the regulations or decisions (as those terms are defined by the Act), will apply to Pasquill;

iv. subject to paragraph 62(d) below, under section 161(1)(g), Pasquill pay to the Commission $21.7 million, being the total amount obtained, directly or indirectly, as a result of his contraventions of the Act; and

iv. under section 162, Pasquill pay an administrative penalty of $15 million.

d) Section 161(1)(g) payments

i. The respondents' respective obligations to pay under paragraphs 62(a)(iv), 62(b)(iv) and 62(c)(iv) above shall not exceed the following:

(a) $9.8 million (distributions relating to FIC Projects) – FIC Projects, Lathigee and Pasquill only, on a joint and several basis;

(b) $9.9 million (distributions relating to FIC Foreclosure) - FIC Foreclosure, Lathigee and Pasquill only, on a joint and several basis; and

(c) $2 million (distributions relating to WBIC) - WBIC, Lathigee and Pasquill only, on a joint and several basis.

¶ 63 March 16, 2015

¶ 64 **For the Commission**

Audrey T. Ho
Commissioner

Judith Downes
Commissioner