

# 2005 BCSECCOM 3

## Order

### **George Melvin Grafton, Grafton Global Management Ltd. and Valley Mortgage and Investment Company Ltd.**

#### **Section 161 of the *Securities Act*, RSBC 1996, c. 418**

#### **Background**

- ¶ 1 The Executive Director has entered into a Settlement Agreement with George Melvin Grafton (Grafton), Grafton Global Management Ltd. (Grafton Global) and Valley Mortgage and Investment Company Ltd. (Valley), a copy of which is attached as Schedule “A”.

#### **The Order**

- ¶ 2 The Executive Director, considering it to be in the public interest to do so, orders, by consent, that:
1. under section 161(1)(b) of the Act, Grafton permanently cease trading in or purchasing any securities except that Grafton may trade:
    - (a) in the securities of Grafton Global and Valley solely for the purposes of effecting the Investor Settlement, as defined in paragraph 3, item 1 of the Settlement Agreement;
    - (b) the securities held by him at the date of this Order through two registered retirement savings plan (RSP) accounts in his own name through a registered dealer, if Grafton provides the registered dealer with a copy of this Order before any trades take place; and
    - (c) one non-RSP account in his own name through a registered dealer, if Grafton provides the registered dealer with a copy of this Order before any trades take place;
  2. under section 161(1)(d) of the Act, Grafton resign any position he may hold as a director or officer of any issuer and is permanently 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:
    - (a) Grafton Global and Valley solely for the purposes of effecting the Investor Settlement; and
    - (b) an issuer in which all of the securities are owned directly, indirectly or beneficially by Grafton;

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3. under section 161(1)(d) of the Act, Grafton is permanently prohibited from engaging in investor relations activities; and
4. under section 161(1)(b) of the Act Grafton Global and Valley each are permanently prohibited from trading in or purchasing securities, and all persons are permanently prohibited from trading in the securities of Grafton Global and Valley, except to the extent necessary to facilitate the Investor Settlement.

¶ 3 December 31, 2004

¶ 4 Brenda M. Leong  
Executive Director