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PROVINCE OF NEW BRUNSWICK
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BUREAU DE L'ADMINISTRATEUR
DES VALEURS MOBILIÈRES
MINISTÈRE DE LA JUSTICE

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CONFIDENTIAL

January 31, 1991

Investors Syndicate Limited
50 Crown Street
Saint John, NB
E2L 2X6

Att: Jeannine Richard
Region Supervisor

Re: Application for registration - Richard Stewart Law

Dear Sirs:

Subsequent to our letter to you of January 24, 1991 and at your request a meeting was held at our Offices on Thursday, January 31, 1991 to further consider the application of Richard S. Law under the Securities Act. At that meeting were Reg Hilchie, Division Manager for Investors Syndicate Limited; Richard Stewart Law, the applicant; Edouard LeBlanc, Deputy Administrator of Securities; and myself.

The purpose of the meeting was to give Mr. Law an opportunity to respond to the concerns expressed in our letter to Investors Syndicate Limited of January 24. In particular, we had indicated our reluctance to register Mr. Law as not being suitable pursuant to the requirements of the Securities Act. We pointed out particularly his responses to question 14 of the application form.

While I recognize the effort taken by Mr. Law to explain in person the information on his application form, I regret to advise that I remain unconvinced that he is, at this time, a suitable candidate for registration.

Mr. Law's responses to questions 14(a) and 14(c), as well as question 13(e), regarding involvement in disciplinary measures and self-regulatory bodies, were incorrect. Mr. Law argued that he misunderstood them as the circumstances were painful and he wished to forget. Furthermore, he suggested that he knew he would be corrected by this Office should his answers be inappropriate.

Unfortunately, I find these responses inadequate. Certainly, the consequences of any disciplinary action are painful. However, it is expected that the registrant would learn from the difficult experience, an experience which one might expect would not be forgotten. Additionally if any details are unknown or are vague, it is expected that a registrant would be responsible enough to investigate and determine a satisfactory response. I find it disturbing that an individual with more than ten years experience in the securities industry is not better able to clearly identify these important responsibilities.

I cannot stress enough the importance the Office of the Administrator places on disclosure. It is the cornerstone of the securities industry. If an applicant cannot fully disclose information to the regulator then his ability to disclose necessary and essential information to a possible investor can rightfully be questioned. Unfortunately, Mr. Law has not met, in this application, this high standard.

While this current application has been rejected, this does not prevent Mr. Law from appealing pursuant to provisions of the Securities Act. Furthermore, another application may be made on the basis of new or other material or where it is clear that material circumstances have changed.

I wish to emphasize that our decision involves not only a question of competence to deal with paper work and procedures, but also one involving attitude and personal responsibility for one's actions within the securities industry.

As requested by Mr. Hilchie and Mr. Law I am enclosing a copy of the Settlement Offer dated August 16, 1983 between the Toronto Stock Exchange and Richard S. Law. I am also returning the cheques totalling \$200.00 filed with the application.

Yours truly,


D. [REDACTED] [REDACTED]
ADMINISTRATOR

DWS/lmc

Enc.

cc: Richard Stewart Law