

IN THE MATTER OF THE SECURITIES ACT
R.S.N.S. 1989, C. 418, S. 135, AS AMENDED

- and -

IN THE MATTER OF
GLOBAL MAXFIN INVESTMENT INC. ("GMI")

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. Staff of the Nova Scotia Securities Commission ("Commission") agrees to request that a Notice of Hearing be issued setting a hearing down to consider whether, pursuant to sections 135 and 135A of the Act, in the opinion of the Commission, it is in the public interest for the Commission to:
 - a. Approve this settlement agreement;
 - b. Make a determination pursuant to section 135(a) of the Act that GMI has contravened the Act or its regulations;
 - c. Make an order pursuant to section 135(b) that GMI pay an administrative penalty in the amount of ten thousand dollars (\$10,000.00) forthwith; and
 - d. Make an order pursuant to section 135A of the Act that GMI pay costs in connection with the Staff's investigation and conduct of the proceedings before the Commission in the amount of seven hundred and fifty dollars (\$750.00) forthwith.

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission ("Staff") agrees to recommend settlement of the proceedings initiated in respect of GMI by the Notice of Hearing in accordance with the terms and conditions set out below. GMI agrees to the settlement on the basis of the facts agreed to as hereinafter provided and consents to the making of an Order, in the form attached as Schedule "A", on the basis of the facts set out below in respect to the violations of the Act.

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PART III – STATEMENT OF FACTS

Acknowledgment

3. Staff and GMI agree with the facts and conclusions set out in this Part of this Settlement Agreement ("Agreement")

Introduction

4. ~~GMI is registered in the province of Nova Scotia as a Mutual Fund Dealer.~~
GMI is registered in the province of Nova Scotia as a Mutual Fund Dealer.
5. ~~Global Education Funds Incorporated was incorporated and registered on 20 January 1999 under the Canada Business Corporations Act, and on 26 June 2003 a Certificate of Amendment was issued changing its name to Global Maxfin Investments Inc.~~
Global Education Funds Incorporated was incorporated and registered on 20 January 1999 under the Canada Business Corporations Act, and on 26 June 2003 a Certificate of Amendment was issued changing its name to Global Maxfin Investments Inc.

Facts

6. Up to 31 March 2005 Joseph Laurie ("Laurie") was registered as a salesperson with Dundee Wealth Management ("Dundee") to sell mutual funds in the province of Nova Scotia.

On 12 April 2005, Laurie was approved by the Deputy Director of Capital Markets for the Commission as a salesperson for GMI.
8. On 12 March 2005, while registered with Dundee, Laurie transferred a Dundee client to GMI by directing them to sign KYC and Dealer/Representative Change Forms ("Transfer Forms").
9. GMI failed to ensure that Laurie was properly registered before approving the Transfer Forms, thereby violating subsection 31(1) of the Securities Regulations.
10. On 19 March 2007 GMI's branch manager in Nova Scotia transferred to another mutual fund dealer.
11. On 23 March 2007 GMI submitted an application to the Commission for an exemption to the requirements of subsection 22(2) of the Securities Regulations, which was misplaced. GMI submitted a second application to the Commission for an exemption on 7 June 2007.
12. On 27 June 2007, the Commission granted GMI an exemption to the requirements of subsection 22(2) of the Securities Regulations.

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Mitigating Factors

13. GMI acknowledges and accepts responsibility for its conduct which is the subject matter of Staff's allegations.
14. GMI cooperated with Staff in the investigation of this matter.

Conduct Contrary to the Public Interest

15. In summary, during material times GMI's actions violated Nova Scotia securities laws and were contrary to the public interest.

PART IV – POSITION OF GMI

16. GMI admits the facts set forth in Part III herein and acknowledges that it violated Nova Scotia securities laws.

PART V – TERMS OF SETTLEMENT

17. The terms of settlement are set forth in the order contained in Schedule "A" to this Agreement which is expressly incorporated herein.

PART VI – COMMITMENTS

18. If this Agreement is approved by the Commission, Staff will not initiate any further proceedings before the Commission related to those facts set out in Part III of this Agreement in accordance with the procedures described herein.
19. If this Agreement is approved by the Commission, it will constitute the entirety of the evidence to be submitted respecting GMI in this matter and GMI agrees to waive any right to a full hearing and appeal of this matter under the Act.
20. If this Agreement is approved by the Commission, the parties to this Agreement will not make any statement that is inconsistent with the Agreement.
21. If this Agreement is approved by the Commission, GMI shall abide by all terms of this Agreement in accordance with the Order set forth in Schedule "A".
22. If, for any reason whatsoever, this Agreement is not approved by the Commission or the Order set forth in Schedule "A" is not made by the Commission:

Two handwritten signatures in black ink, one appearing to be 'V.D.' and the other 'R.D.', located in the bottom right corner of the page.

- a. Each of Staff and GMI will be entitled to proceed to a hearing of the allegations in the Notice of Hearing and related Statement of Allegations unaffected by the Agreement or the settlement negotiations;
 - b. The terms of the Agreement will not be raised in any other proceeding or disclosed to any person except with the written consent of Staff and GMI or as may otherwise be required by law; and
 - c. GMI agrees that it will not raise in any proceeding the Agreement or the negotiations or process of approval thereof as a basis of any attack or challenge of the Commission's jurisdiction, alleged bias, appearance of bias, alleged unfairness or any other challenge that may otherwise be available.
23. If, in the view of Staff and prior to the approval of this Agreement by the Commission, there are new facts or issues of substantial concern regarding the facts set out in Part III of this Agreement, Staff will be at liberty to withdraw from this Agreement. Notice of such intention will be provided to GMI in writing. In the event of such notice being given, the provisions of paragraph 22 in this Part will apply as if this Agreement had not been approved in accordance with the procedures set out herein.

VIII DISCLOSURE OF SETTLEMENT AGREEMENT

24. Staff or GMI may refer to any or all parts of this Agreement in the course of the hearing convened to consider this Agreement. Otherwise, this Settlement Agreement and its terms will be treated as confidential by all parties to it until approved by the Commission, and forever if, for any reason whatsoever, this settlement is not approved by the Commission.



IX EXECUTION OF SETTLEMENT AGREEMENT

25. This Agreement may be signed in one or more counterparts that together shall constitute a binding agreement and a facsimile copy of any signature shall be as effective as an original signature.

Dated this 16 day of January 2008.

SIGNED, SEALED AND DELIVERED
In the presence of:


Witness

Global Maxfin Investments Inc.

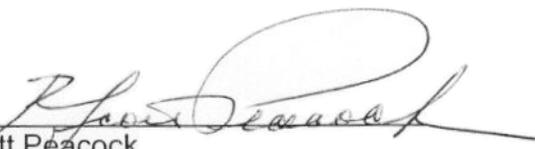

Per: PRESIDENT
GLOBAL MAXFIN INVESTMENTS INC.
D Bruce H

Dated this 18th day of January 2008.

SIGNED, SEALED AND DELIVERED
In the presence of:


Witness

**Staff of the Nova Scotia Securities
Commission**

Per: 
R. Scott Peacock
Deputy Director
Compliance and Enforcement
Nova Scotia Securities Commission



SCHEDULE "A"

IN THE MATTER OF THE SECURITIES ACT
R.S.N.S. 1989, CHAPTER 418, AS AMENDED ("Act")

- AND -

IN THE MATTER OF
GLOBAL MAXFIN INVESTMENTS INC. ("Respondent")

ORDER
(Sections 135, 135A)

WHEREAS on _____, 2008, the Nova Scotia Securities Commission ("Commission") issued a Notice of Hearing to the Respondent pursuant to sections 135 and 135A of the Act;

AND WHEREAS the Respondent entered into a settlement agreement with Staff of the Commission ("Staff") whereby it agreed to a proposed settlement of the proceeding, subject to the approval of the Commission;

AND WHEREAS Staff recommended approval of the settlement agreement;

AND WHEREAS the Commission is of the opinion that the Respondent has contravened the Act and it is in the public interest to make this Order;

AND UPON reviewing the settlement agreement and the Notice of Hearing, and upon hearing submissions of counsel for Staff and the Respondent;

IT IS HEREBY ORDERED, pursuant to sections 135 and 135A of the Act, that:

1. the settlement agreement dated _____, 2008, a copy of which is attached, is approved;
2. pursuant to section 135 of the Act, the Respondent shall pay an administrative penalty in the amount of ten thousand dollars (\$10,000.00) forthwith; and
3. pursuant to section 135A of the Act, the Respondent shall pay costs in connection with the investigation and conduct of the proceedings before the Commission in the amount of seven hundred and fifty dollars (\$750.00) forthwith;

DATED at Halifax, Nova Scotia, this _____ day of _____, 2008.

NOVA SCOTIA SECURITIES COMMISSION

(Chairman)