

**IN THE MATTER OF THE *SECURITIES ACT*  
R.S.O. 1990, C. S.5, AS AMENDED**

**- AND -**

**IN THE MATTER OF  
DUAL CAPITAL MANAGEMENT LIMITED,  
WARREN LAWRENCE WALL, SHIRLEY JOAN WALL**

**SETTLEMENT AGREEMENT**

**I INTRODUCTION**

1. By Amended Notice of Hearing dated April 30, 2003 (the “Notice of Hearing”), the Ontario Securities Commission (the “Commission”) announced that it proposed to hold a hearing to consider whether, pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”), in the opinion of the Commission, it is in the public interest for the Commission:
  - (a) to make an order that the respondents Dual Capital Management Limited (“Dual Capital”), Warren Lawrence Wall (“Warren Wall”) and Shirley Joan Wall (“Joan Wall”) cease trading in securities, permanently or for such time as the Commission may direct;
  - (b) to make an order that any exemptions contained in Ontario securities law do not apply to the respondents Dual Capital, Warren Wall and Joan Wall or any of them permanently, or for such period as specified by the Commission;
  - (c) to make an order that the respondents Warren Wall and Joan Wall resign one or more positions that the respondents or any of them hold as a director or officer of an issuer;
  - (d) to make an order that the respondents Warren Wall and Joan Wall be prohibited from becoming or acting as director or officer of any issuer;

- (e) to make an order that the respondents Warren Wall and Joan Wall be reprimanded;
- (f) to make an order that the respondents Dual Capital, Warren Wall and Joan Wall, or any of them, pay the costs of Staff's investigation in relation to the matters subject to this proceeding;
- (g) to make an order that the respondents Dual Capital, Warren Wall and Joan Wall, or any of them, pay the costs of this proceeding incurred by or on behalf of the Commission; and/or
- (h) to make such other order as the Commission may deem appropriate.

## **II JOINT SETTLEMENT RECOMMENDATION**

- 2. Staff of the Commission ("Staff") agree to recommend settlement of the proceedings initiated in respect of the respondents by the Notice of Hearing in accordance with the terms and conditions set out below. The respondents agree to the settlement on the basis of the facts agreed to as hereinafter provided and the respondents consent to the making of an Order in the form attached as Schedule "A" on the basis of the facts set out below.
- 3. This settlement agreement, including the attached Schedule "A" (collectively, the "Settlement Agreement"), will be released to the public only if and when the settlement is approved by the Commission.

## **III SETTLEMENT OF FACTS AND CONCLUSIONS**

### **Acknowledgement**

- 4. Staff and the respondents agree with the facts and conclusions set out in Part III of the Settlement Agreement.

**Introduction**

5. Dual Capital is incorporated under the laws of Ontario and since October, 1994, carried on business as the general partner of Dual Capital Limited Partnership (the "Limited Partnership"). Dual Capital has not been registered in any capacity pursuant to section 25(1) of Ontario *Securities Act* R.S.O. 1990, c.S.5, as amended (the "Act").
6. Warren Wall is an individual residing in Ontario and at all material times was the President and a director of Dual Capital. Warren Wall has not been registered in any capacity pursuant to section 25(1) of the Act.
7. Joan Wall is an individual residing in Ontario, and at all material times was a director and the secretary/treasurer of Dual Capital. Prior to June 28, 1995, Joan Wall was not registered in any capacity pursuant to section 25(1) of the Act. Joan Wall was registered as a salesperson with Triple A Financial Services Inc. ("Triple A"), a mutual fund dealer and limited market dealer, pursuant to section 26(1) of the Act from June 28, 1995 to October 13, 1998. As at October 20, 1998, Joan Wall was registered as a salesperson with Investment and Tax Counsel Corporation, a mutual fund dealer, and also a limited market dealer (as of May 5, 1999) pursuant to section 26(1) of the Act. Joan Wall has not been registered in any capacity since June 30, 2000.

**Trading Without a Prospectus Contrary to the Requirements of Ontario Securities Law**

8. During the period from October, 1994 to December, 1996, the general partner, Dual Capital, accepted subscriptions to the Units from investors residing in Ontario.
9. During the material times, the respondents, Dual Capital, Warren Wall, and Joan Wall, traded in securities, namely the Units, where such trading was a distribution of such securities, without having filed a preliminary prospectus and a prospectus and obtaining receipts therefor from the Director as required by section 53(1) of the Act.
10. The Units were purportedly offered for sale pursuant to the "seed capital" prospectus exemption set out in section 72(1)(p) of the Act. The requirements of the "seed capital" exemption from the prospectus requirements in Ontario securities law were not satisfied.

11. Further, the Offering Memorandum dated October 18, 1994 as amended on December 19, 1994 for the Limited Partnership (the "Offering Memorandum") was not delivered to the Commission as required under Ontario securities law. The Offering Memorandum was also not provided to each investor who purchased the Units.
12. In addition, on or about May 27, 1997, Warren Wall, on behalf of the general partner, Dual Capital, filed with the Commission a Form 20 purporting to report a trade under clause 72(1)(p) of the Act. The Form 20 filed with the Commission did not contain complete and/or accurate information as required under Ontario securities law, including, but not limited to, accurate and complete information concerning the date(s) of the trade(s), the names of the purchaser(s), and the amount or number of securities purchased under the offering of the Units. In addition, the Form 20 filed stated that the promoter, DJL Capital Corporation, received \$47,233.85 as compensation, when in fact DJL Capital Corporation received payments in the amount of approximately U.S. \$161,525.00.

#### **Trading in the Units Contrary to Requirements of Ontario Securities Law**

13. Dual Capital and Warren Wall between October 13, 1994 and December 4, 1996 traded in securities, namely, limited partnership units of Dual Capital Limited Partnership without being registered to trade in such securities as required by section 25(1) of the Act.
14. Joan Wall between October 13, 1994 and June 27, 1995 traded in securities, namely, limited partnership units of Dual Capital Limited Partnership without being registered to trade in such securities as required by section 25(1) of the Act.

#### **Misrepresentations to Investors Contrary to the Public Interest**

##### **(i) Use of Proceeds**

15. The summary of the Offering Memorandum states, in part, the following with respect to "Use of Proceeds":

"The net proceeds of this Offering, after deducting the expenses of the issue, are estimated to be a maximum of \$5,000,000.00 and a minimum of \$860,000.00. The Limited Partnership will use the net proceeds of this Offering to facilitate trades in financial instruments, such as bank debentures, thereby providing income to the Limited Partnership."

16. The Offering Memorandum represented that the "Trading Partner" (which party is not identified in the Offering Memorandum) would seek to provide an annual rate of return to the Limited Partnership and related parties equal to 30% of the funds placed on deposit. The Offering Memorandum further represented that the "...foregoing will be paid on a monthly basis and is subject to the Trading Partner effecting trades."
17. During the material times, Dual Capital, Warren Wall and Joan Wall failed to disclose to investors that certain funds accepted from investors for the purchase of Units were not used to "facilitate trades in financial instruments", and further failed to disclose that investors' funds instead were used for payments to various companies and persons, including payments to Dual Capital and/or Dual Financial Group Inc., a company owned by Warren Wall and Joan Wall.

**(ii) Representations in Promotional Material**

18. Further, a brochure (the "Brochure") entitled "International Lending Programme - Investor Information" prepared by Warren Wall under the name of Dual Capital, was distributed to investors in furtherance of the sale of the Units, and made various representations to investors which were contrary to the public interest. Such representations to investors included the promise of high annual returns under the heading in the Brochure "High Annual Returns .... with Absolutely No Risk" which representations were misleading to investors and contrary to the public interest.

**Conviction of Dual Capital Management Limited, Warren Wall and Joan Wall of Violations of Ontario Securities Law**

19. On October 26, 2000, in a related prosecution under section 122 of the Act before the Honourable Mr. Justice Douglas, Dual Capital, Warren Wall and Joan Wall, entered pleas of guilty in relation to the following five charges laid under section 122 of the Act:

(1) Dual Capital and Warren Wall between October 13, 1994 and December 4, 1996 traded in securities, namely limited partnership units of Dual Capital Limited Partnership without being registered to trade in such securities as required by section 25(1) of the Act and did thereby commit an offence contrary to section 122(1)(c) of the Act.

(2) Joan Wall between October 13, 1994 and June 27, 1995 traded in securities, namely, limited partnership units of Dual Capital Limited Partnership without being registered to trade in such securities as required by section 25(1) of the Act and did thereby commit an offence contrary to section 122(c) of the Act.

(3) Warren Wall and Joan Wall between October 13, 1994 and December 4, 1996, being a director or officer of Dual Capital Management Limited, did authorize, permit or acquiesce in the offence committed by Dual Capital described in subparagraph 1 above, and did thereby commit an offence contrary to section 122(3) of the Act.

(4) Dual Capital, Warren Wall and Joan Wall between October 13, 1994 and December 4, 1996 did trade in securities, namely limited partnership units of Dual Capital where such trading was a distribution of such securities, without having filed a preliminary prospectus and a prospectus and obtaining receipts therefor from the Director as required by section 53(1) of the Act and did thereby commit an offence contrary to section 122(1)(c) of the Act.

(5) Warren Wall and Joan Wall between October 13, 1994 and December 4, 1996, being a director or officer of Dual Capital, did authorize, permit or acquiesce in the offence committed by Dual Capital described in subparagraph 4 above and did commit an offence contrary to section 122(3) of Act.

20. The guilty pleas were entered following twelve days of trial, after the prosecutor for the Ontario Securities Commission had called its witnesses to testify and closed its case, after the defence had called four witnesses, and during the re-examination of Warren Wall (who had testified on his own behalf and been subject to cross examination by the prosecutor for the Ontario Securities Commission.) Mr. Justice Douglas accepted the pleas, entered convictions and sentenced Warren Wall and Joan Wall to a total of 30 months and 22 months, respectively, and Dual Capital to a total fine of \$1,000,000.
21. In the course of delivering his Reasons for Sentence, Mr. Justice Douglas made findings of fact, based on the evidence at trial, including the following findings:
- (1) The direct loss to the 56 members or so of the public who relied upon the accused persons can be considered, which (ignoring, for the moment, so-called repayments of interest and principal) is something in the range of 1.5 million dollars U.S., or, at a generous current exchange rate of 66 cents Canadian to the U.S. dollar, approximately \$2,265,000.00 Canadian .... It appeared to be the position of the accused that they did not particularly profit from this mis-adventure, but that other more culpable persons did.
  - (2) Dealing with the conduct of the accused until January 26<sup>th</sup>, 1995, during this period of time, the accused, with others, conceived and formulated this investment scheme. They in part documented it, and, importantly, sold it to their clients. In this period of time they raised \$860,000.00 U.S. or 1.3 million dollars Canadian.
  - (3) Respecting the conceptualization, formulation and documentation of the investment scheme, Mr. Wall testified that the idea of the investment scheme (referenced under various headings, including the “Roll Programme” and the “International Lending Programme”) came to him by way of Dennis Little and D.J.L. Limited, Bob Adams, Mr. Altman of A.A.A. Financial Services, all of which led to Mr. Poirier and Mr. Adams of Dundas and, ultimately, Mr. Huppe of Oakville.

(4) To varying degrees, Mr. Wall pointed to these gentlemen as being to blame for this fiasco, as through counsel, so did Mrs. Wall. I utterly reject the testimony of Mr. Wall in this regard. The evidence supports only the inference of guilty knowledge respecting these events on behalf of both Mr. Wall and Mrs. Wall.

(5) I find that the Roll Programme as conceived, was and remained utter nonsense. The programme, considered in and of itself, is a fraudulent means....

...I find that the Roll Programme was per se dishonest.

...Indeed, the evidence is conclusive and nearly complete that all of the investors were neither sophisticated (but naïve), nor rich (but poor) or, at least, dependent upon the little money they had.

(6) Any complete reading of the Investor Lending Programme One or Investor Lending Programme Two will show the nonsensical nature of the proposal. Under cross-examination, Mr. Wall was forced to admit that many of the eight representations numbered and contained in each of these were essentially false throughout the time-frame of the Programme.

(7) Referencing the investment concept provisions of the two Offering Memoranda leads one to a similar conclusion. I reject utterly that Mr. Wall, a seasoned business man, trained in the arcane of insurance contracts and insured investments, and Mrs. Wall, similarly exposed and trained and also licensed, at least from June 1995 to sell mutual funds, did not recognize the significant risks associated with the concept, even as it was described in the Offering Memoranda.



(8) For example, at page five of the First Offering Memorandum, under the heading Investment Concept, the following is stated:

“The business of the limited partnership is to realize profits on trades of financial instruments such as bank debentures and thus provide income for the limited partners. To this end, the net proceeds of the offering will be placed through an intermediary company on deposit with Canadian or international bank. The trading company; the trading partners will be selected by the general partner will arrange for the purchase and sale by an international bank financial institution or brokerage firm, the financial institution, a financial instrument such as bank debentures without placing the limited partners’ funds at risk. The funds placed on deposit by the limited partnership together with funds from other sources will serve as a guarantee to the other contracting party that the transactions will be effected. The trading partner will seek to provide an annual rate of return to the limited partner and related parties equal to 30 percent of the amount of funds placed on deposit by the partnership. The annual rate of return to the limited partners is expected to be 14 percent. The rate of return ultimately realized will be based on the performance of the trading partner which will be on a best efforts basis. The limited partnership will not buy or sell financial instruments and it is not expected that the funds placed on deposit will be used directly in such transactions, rather the trading partner will seek a potential purchaser of the financial instrument, and at such time as the purchase is confirmed will then identify the seller. The limited partnership’s funds on deposit will be combined with funds from other sources and serve as a guarantee to the seller that the financial institution will be able to effect the purchase. The trading party will not arrange for the purchase of a financial instrument unless the ultimate purchaser has been identified and payment effected by that party. The financial institution will realize a profit

on the transaction based on the spread between the price at which the financial institution buys the financial instrument and the price at which it immediately thereafter sells the financial instrument. A similar process will be followed when the trading partner first identifies a potential seller of the financial instrument as opposed to a purchase.”

(9) I simply reject that Mr. and Mrs. Wall had any belief in the viability of this scheme based on this fundamental contradiction between the assertion of no risk and the assertion of placing these funds on guarantee.

(10) I find that Mr. and Mrs. Wall made a series of misrepresentations designed to mislead investors with respect to this risk, and indeed to take the risk.

(11) Turning to the sale of the investment scheme, to sell this scheme, the Investment Lending Programme and Summaries were prepared either in the Wall's office or forwarded from there. They were forwarded to clients and various brokers. No effort was made to screen the investment so that only sophisticated investors were solicited. No effort was made to ensure that only those who could afford such significant losses were solicited.

(12) Indeed, the evidence is conclusive and nearly complete that all of the investors were neither sophisticated (but naive), nor rich (but poor) or, at least, dependent upon the little money they had.

(13) The Walls told some people that they were themselves investing in this. They were not. Others were told to borrow money to invest in this scheme.

(14) As noted above, the Investment Lending Programme One and Two and Summaries were finally admitted, for the most part, to be misrepresentations.

(15) The short point, here, was that the documentation was prepared, either by the Walls or someone else, but it was accepted by the Walls, reviewed by the Walls and went out on their letterhead. It went to their clients. It was prepared, in my view, quite deliberately to highlight the selling points. Those selling points were false. The Walls knew they were false.

(16) The Programme was not only sold by written falsehoods, but also orally, evidence dramatically points to the equal participation of both Warren and Joan Wall. Mrs. Wall, on that evidence, perhaps played somewhat of a unique role in convincing people, particularly women, to invest in this programme.

(17) What was the conduct after December 17<sup>th</sup>, 1996, the start of the Ontario Securities investigation?

(18) Well, there is no doubt that there is some bad blood between the secretary, Ms. Alderman and the Walls. I accept her evidence in all essential aspects, notwithstanding the attempts by the Walls, in my view, to seduce, co-op and buy her silence over the years of her employment.

(19) She told us the truth when she said the following. First, that the computer records were deleted to remove them from the grasp of the Ontario Securities Commission. Second, the hard copy records were put into garbage bags so they could be destroyed. Third, she was told to lie to the Ontario Securities Commission as to what happened to those records. And fourth, Exhibit Two(d) was created to falsely provide the Ontario Securities Commission with the impression there were only 24 investors,

and that the Walls through D.F. Group had personally invested \$440,000.00.

22. The conduct alleged above, and the conviction of the respondents, Dual Capital, Warren Wall and Joan Wall of the offences outlined above, constitutes conduct contrary to sections 25 and 53 of the Act and conduct contrary to the public interest.

#### **IV TERMS OF SETTLEMENT**

23. The respondents, Dual Capital, Warren Wall and Joan Wall, agree to the following terms of settlement:

- (a) pursuant to clause 2 of subsection 127(1) of the Act, Dual Capital will cease trading securities (which term includes, for the purpose of this settlement, a purchase of a security) permanently effective the date of the Order of the Commission approving the proposed settlement agreement herein;
- (b) pursuant to clause 2 of subsection 127(1) of the Act, Warren Wall will cease trading securities (which term includes, for the purpose of this settlement, a purchase of a security) permanently effective the date of the Order of the Commission approving the proposed settlement agreement herein, with the sole exception that after one year from the date of the Order approving this settlement, Warren Wall is permitted to trade securities through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act (Canada)*);
- (c) pursuant to clause 2 of subsection 127(1) of the Act, Joan Wall will cease trading securities (which term includes, for the purpose of this settlement, a purchase of a security) permanently effective the date of the Order of the Commission approving the proposed settlement agreement herein, with the sole exception that after one year from the date of the Order approving this settlement, Joan Wall is permitted to trade securities through a registered dealer for the account of her registered retirement savings plan (as defined in the *Income Tax Act (Canada)*);

- (d) Warren Wall undertakes never to apply for registration in any capacity under Ontario securities law, and agrees to execute the undertaking to the Commission in the form attached as Schedule “B” to this settlement agreement;
- (e) Joan Wall undertakes never to apply for registration in any capacity under Ontario securities law, and agrees to execute the undertaking to the Commission in the form attached as Schedule “C” to this settlement agreement;
- (f) pursuant to clause 7 of subsection 127(1) of the Act, Warren Wall shall resign his position as an officer or director of any reporting issuer. Further, Warren Wall shall resign his position as an officer or director of any issuer, save and except any position Warren Wall may hold as an officer or director with an issuer incorporated by him and/or Joan Wall to provide services in the construction industry, which services are solely related to the construction of a business or residential premise and construction contract administration, provided that such issuer remains a private company within the meaning of section 1(1) of the Act and does not accept funds from the public. Further, Warren Wall shall resign his position as an officer or director of any issuer which has an interest directly or indirectly in any registrant effective the date of the Order of the Commission approving this settlement;
- (g) pursuant to clause 7 of subsection 127(1) of the Act, Joan Wall shall resign her position as an officer or director of any reporting issuer. Further, Joan Wall shall resign her position as an officer or director of any issuer, save and except any position Joan Wall may hold as an officer or director with an issuer incorporated by her and/or Warren Wall to provide services in the construction industry, which services are solely related to the construction of a business or residential premise and construction contract administration, provided that such issuer remains a private company within the meaning of section 1(1) of the Act and does not accept funds from the public. Further, Joan Wall shall resign her position as an officer or director of any issuer which has an interest directly or indirectly in any registrant effective the date of the Order of the Commission approving this settlement;

- (h) pursuant to clause 8 of subsection 127(1) of the Act, Warren Wall is prohibited permanently from becoming or acting as an officer or director of any reporting issuer. Further, Warren Wall is prohibited permanently from becoming or acting as an officer or director of any issuer, save and except any position Warren Wall may hold as an officer or director with an issuer incorporated by him and/or Joan Wall to provide services in the construction industry, which services are solely related to the construction of a business or residential premise and construction contract administration, provided that such issuer remains a private company within the meaning of section 1(1) of the Act and does not accept funds from the public. Further, Warren Wall is prohibited from becoming or acting as an officer or director of any issuer which has an interest directly or indirectly in any registrant effective the date of the Order of the Commission approving this settlement;
- (i) pursuant to clause 8 of subsection 127(1) of the Act, Joan Wall is prohibited permanently from becoming or acting as an officer or director of any reporting issuer. Further, Joan Wall is prohibited permanently from becoming or acting as an officer or director of any issuer, save and except any position Joan Wall may hold as an officer or director with an issuer incorporated by her and/or Warren Wall to provide services in the construction industry, which services are solely related to the construction of a business or residential premise and construction contract administration, provided that such issuer remains a private company within the meaning of section 1(1) of the Act and does not accept funds from the public. Further, Joan Wall is prohibited from becoming or acting as an officer or director of any issuer has an interest directly or indirectly in any registrant effective the date of the Order of the Commission approving this settlement;
- (j) Warren Wall agrees to be reprimanded by the Commission under clause 6 of subsection 127(1) of the Act;
- (k) Joan Wall agrees to be reprimanded by the Commission under clause 6 of subsection 127(1) of the Act;

- (l) Warren Wall will attend, in person, at the hearing before the Commission to consider the proposed settlement; and
- (m) Joan Wall will attend, in person, at the hearing before the Commission to consider the proposed settlement.

**V STAFF COMMITMENT**

- 24. If this Settlement Agreement is approved by the Commission, Staff will not initiate any complaint to the Commission or request the Commission to hold a hearing or issue any other order in respect of any conduct or alleged conduct of the respondents in relation to the facts set out in Part III of this Settlement Agreement.

**VI PROCEDURE FOR APPROVAL OF SETTLEMENT**

- 25. The approval of the settlement as set out in the Settlement Agreement shall be sought at a joint public hearing held before the Commission in accordance with the procedures described in this agreement and the Commission' Rules of Practice.
- 26. If this Settlement Agreement is approved by the Commission, it will constitute the entirety of the evidence to be submitted respecting the respondents in this matter and the respondents agree to waive any right to a full hearing, judicial review or appeal of this matter under the Act.
- 27. If this Settlement Agreement is approved by the Commission, the parties to this Settlement Agreement will not make any public statement that is inconsistent with this Settlement Agreement.
- 28. If, for any reason whatsoever, this settlement is not approved by the Commission, or the Order set forth in Schedule "A" is not made by the Commission:
  - (a) This agreement and all negotiations leading up to it shall be without prejudice to Staff and the respondents, and each of Staff and the respondents will be entitled to proceed to a hearing of the allegations in the Notices of Hearing and related Statement of Allegations unaffected by the Settlement Agreement or the settlement negotiations;

- (b) the terms of the Settlement Agreement will not be raised in any other proceeding or disclosed to any person except with the written consent of Staff and the respondent or as may be otherwise required by law; and
  - (c) the respondents agree that they will not raise in any proceeding the Settlement Agreement or the negotiation or process of approval thereof as a basis for any attack on the Commission's jurisdiction, alleged bias, appearance of bias, alleged unfairness or any other challenge that may otherwise be available.
29. If, prior to the approval of this Settlement Agreement by the Commission, there are new facts or issues of substantial concern, in the view of Staff, regarding the facts set out in Part III of this Settlement Agreement, Staff will be at liberty to withdraw from this Settlement Agreement. Notice of such intention will be provided to the respondents in writing. In the event of such notice being given, the provisions of paragraph 28 in this part will apply as if this Settlement Agreement had not been approved in accordance with the procedures set out herein.

## **VII DISCLOSURE OF SETTLEMENT AGREEMENT**

30. Staff or the respondents may refer to any part or all of this Settlement 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 the Settlement Agreement until approved by the Commission, and forever if, for any reason whatsoever, this settlement is not approved by the Commission.
31. Any obligation as to confidentiality shall terminate upon the approval of this Settlement Agreement by the Commission.

## **VIII EXECUTION OF SETTLEMENT AGREEMENT**

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

**DATED** this 19th day of June, 2003.



**Signed in the presence of:**

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**Signed in the presence of:**

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**Signed in the presence of:**

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**Dual Capital Management Limited**

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**Per:**  
**Authorized Signing Officer**

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**Warren Lawrence Wall**

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**Shirley Joan Wall**

**Staff of the Ontario Securities  
Commission**

**Per:**

“Michael Watson”  
**Michael Watson**  
**Director, Enforcement Branch**

**SCHEDULE “A”**

**IN THE MATTER OF THE *SECURITIES ACT*  
R.S.O. 1990, c. S.5, AS AMENDED**

**- AND -**

**IN THE MATTER OF  
DUAL CAPITAL MANAGEMENT LIMITED,  
WARREN LAWRENCE WALL, SHIRLEY JOAN WALL**

**ORDER  
(Sections 127 and 127.1)**

**WHEREAS** on April 30, 2003 the Ontario Securities Commission (the “Commission”) issued an amended Notice of Hearing (the “Notice of Hearing”) pursuant to sections 127 and 127.1 of the *Securities Act* (the “Act”) in respect of Dual Capital Management Limited (“Dual Capital”), Warren Lawrence Wall (“Warren Wall”), and Shirley Joan Wall (“Joan Wall”);

**AND WHEREAS** the respondents entered into a settlement agreement dated June , 2003 (the “Settlement Agreement”) wherein they agreed to a proposed settlement of the proceedings commenced by the Notice of Hearing, subject to the approval of the Commission, and wherein Warren Wall provided to the Commission a written undertaking never to apply for registration in any capacity under Ontario securities law and Joan Wall provided to the Commission a written undertaking never to apply for registration in any capacity under Ontario securities law;

**AND UPON** reviewing the Settlement Agreement and the Statement of Allegations of Staff of the Commission, and upon hearing submissions from the respondent and from Staff of the Commission;

**AND WHEREAS** the Commission is of the opinion that it is in the public interest to make this Order;

**IT IS ORDERED THAT:**

- (1) the Settlement Agreement dated June , 2003, attached to this Order, is hereby approved;
- (2) pursuant to clause 2 of subsection 127(1) of the Act, Dual Capital will cease trading securities (which term includes, for the purpose of this settlement, a purchase of a security) permanently effective the date of the Order of the Commission approving the proposed settlement agreement herein;
- (3) pursuant to clause 2 of subsection 127(1) of the Act, Warren Wall will cease trading securities (which term includes, for the purpose of this settlement, a purchase of a security) permanently effective the date of the Order of the Commission approving the proposed settlement agreement herein, with the sole exception that after one year from the date of the Order approving this settlement, Warren Wall is permitted to trade securities through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act (Canada)*);
- (4) pursuant to clause 2 of subsection 127(1) of the Act, Joan Wall will cease trading securities (which term includes, for the purpose of this settlement, a purchase of a security) permanently effective the date of the Order of the Commission approving the proposed settlement agreement herein, with the sole exception that after one year from the date of the Order approving this settlement, Joan Wall is permitted to trade securities through a registered dealer for the account of her registered retirement savings plan (as defined in the *Income Tax Act (Canada)*);
- (5) pursuant to clause 7 of subsection 127(1) of the Act, Warren Wall shall resign his position as an officer or director of any reporting issuer. Further, Warren Wall shall resign his position as an officer or director of any issuer, save and except any position Warren Wall may hold as an officer or director with an issuer incorporated by him and/or Joan Wall to provide services in the construction industry, which services are solely related to the construction of a business or residential premise and construction contract administration, provided that such issuer remains a private company within the meaning of section 1(1) of the Act and does not accept funds from the public. Further, Warren

Wall shall resign his position as an officer or director of any issuer which has an interest directly or indirectly in any registrant effective the date of the Order of the Commission approving this settlement;

(6) pursuant to clause 7 of subsection 127(1) of the Act, Joan Wall shall resign her position as an officer or director of any reporting issuer. Further, Joan Wall shall resign her position as an officer or director of any issuer, save and except any position Joan Wall may hold as an officer or director with an issuer incorporated by her and/or Warren Wall to provide services in the construction industry, which services are solely related to the construction of a business or residential premise and construction contract administration, provided that such issuer remains a private company within the meaning of section 1(1) of the Act and does not accept funds from the public. Further, Joan Wall shall resign her position as an officer or director of any issuer which has an interest directly or indirectly in any registrant effective the date of the Order of the Commission approving this settlement;

(7) pursuant to clause 8 of subsection 127(1) of the Act, Warren Wall is prohibited permanently from becoming or acting as an officer or director of any reporting issuer. Further, Warren Wall is prohibited permanently from becoming or acting as an officer or director of any issuer, save and except any position Warren Wall may hold as an officer or director with an issuer incorporated by him and/or Joan Wall to provide services in the construction industry, which services are solely related to the construction of a business or residential premise and construction contract administration, provided that such issuer remains a private company within the meaning of section 1(1) of the Act and does not accept funds from the public. Further, Warren Wall is prohibited from becoming or acting as an officer or director of any issuer has an interest directly or indirectly in any registrant effective the date of the Order of the Commission approving this settlement;

(8) pursuant to clause 8 of subsection 127(1) of the Act, Joan Wall is prohibited permanently from becoming or acting as an officer or director of any reporting issuer. Further, Joan Wall is prohibited permanently from becoming or acting as an officer or director of any issuer, save and except any position Joan Wall may hold as an officer or director with an issuer incorporated by her and/or Warren Wall to provide services in the construction industry, which services are solely related to the construction of a business

or residential premise and construction contract administration, provided that such issuer remains a private company within the meaning of section 1(1) of the Act and does not accept funds from the public. Further, Joan Wall is prohibited from becoming or acting as an officer or director of any issuer has an interest directly or indirectly in any registrant effective the date of the Order of the Commission approving this settlement;

(9) Warren Wall is reprimanded by the Commission under clause 6 of subsection 127(1) of the Act;

(10) Joan Wall is reprimanded by the Commission under clause 6 of subsection 127(1) of the Act;

DATED at TORONTO this 24<sup>th</sup> day of June, 2003

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**SCHEDULE "B"**

**IN THE MATTER OF  
DUAL CAPITAL MANAGEMENT LIMITED,  
WARREN LAWRENCE WALL, SHIRLEY JOAN WALL**

**UNDERTAKING TO THE  
ONTARIO SECURITIES COMMISSION**

I, Warren Lawrence Wall, am a Respondent to an Amended Notice of Hearing dated April 30, 2003 issued by the Ontario Securities Commission. I undertake to the Ontario Securities Commission that I will never apply for registration in any capacity under Ontario securities law. I have agreed to this term of the settlement between Staff of the Commission and me dated June , 2003.

\_\_\_\_\_  
Witness:

\_\_\_\_\_  
Warren Lawrence Wall

Date: June , 2003

Date: June , 2003

Acknowledgement as Received by,

\_\_\_\_\_  
John Stevenson  
the Secretary to the  
Ontario Securities Commission

Date: , 2003

**SCHEDULE "C"**

**IN THE MATTER OF  
DUAL CAPITAL MANAGEMENT LIMITED,  
WARREN LAWRENCE WALL, SHIRLEY JOAN WALL**

**UNDERTAKING TO THE  
ONTARIO SECURITIES COMMISSION**

I, Shirley Joan Wall, am a Respondent to an Amended Notice of Hearing dated April 30, 2003 issued by the Ontario Securities Commission. I undertake to the Ontario Securities Commission that I will never apply for registration in any capacity under Ontario securities law. I have agreed to this term of the settlement between Staff of the Commission and me dated June , 2003.

\_\_\_\_\_  
Witness:

\_\_\_\_\_  
Shirley Joan Wall

Date: June , 2003

Date: June , 2003

Acknowledgement as Received by,

\_\_\_\_\_  
John Stevenson  
the Secretary to the  
Ontario Securities Commission

Date: , 2003