

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

-and-

IN THE MATTER OF MICHAEL ANDREW HARRIGAN ("Respondent")

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

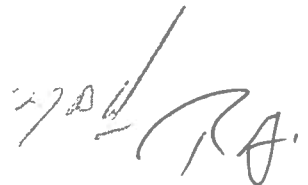
1. The parties to this Settlement Agreement ("Agreement") are the Respondent and the Director of Enforcement for the Nova Scotia Securities Commission, Enforcement Branch ("Director of Enforcement").
2. The parties agree that the Nova Scotia Securities Commission ("Commission") has jurisdiction over this matter.
3. The parties agree to recommend to the Commission approval of this Agreement in accordance with the terms and process set out herein.

PART II – PROCEDURE FOR APPROVAL OF THE AGREEMENT

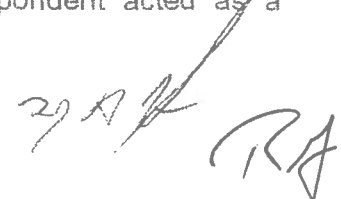
4. The Director of Enforcement agrees to request that a Notice of Hearing be issued setting down a hearing ("Settlement Hearing") wherein the Commission will consider whether it is in the public interest to approve this Agreement and to issue an Order in the form attached as Schedule "A".
5. The parties agree that the Agreement constitutes the entirety of evidence to be submitted to the Commission at the Settlement Hearing.
6. The Director of Enforcement agrees to recommend that the allegations acknowledged and admitted by the Respondent be resolved and disposed of in accordance with this Agreement.
7. The parties acknowledge that this Agreement will become a public document upon its approval by the Commission at the Settlement Hearing.

PART III – STATEMENT OF AGREED FACTS

8. The Director of Enforcement and the Respondent agree with the facts and conclusions set out in this Part of the Agreement.
9. The Respondent is a resident of Halifax, Nova Scotia.

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10. The Respondent is not currently registered with the Commission, or any other Securities Commission in Canada, in any capacity.
11. The Respondent was registered with the Commission from March 2003 until November 2011, most recently as a Dealing Representative with Keybase Financial Group Inc. ("Keybase").
12. Beginning on December 20, 2010, the Respondent was licensed with the Nova Scotia Superintendent of Insurance as a "Life, Accident and Sickness" agent with Exton Financial Services Limited.
13. On November 14, 2011, the Respondent's employment with Keybase was terminated.
14. On December 31, 2013, the Respondent's insurance license expired.
15. On June 19, 2014, the Respondent sent a fax to Alfred Kunz, a Registered Representative of Assante, which stated:
 - a. the Respondent was submitting a redemption form, dated February 3, 2014, for an Assante account on behalf of two Assante clients who were residents of Halifax, Nova Scotia;
 - b. the Respondent was the clients' "insurance advisor" and that their account was missed when they transferred out last year;
 - c. the Respondent was previously an Assante Advisor.
16. On June 23, 2014, the Respondent sent a second fax to Kunz of Assante, with a second redemption request dated February 3, 2014 on behalf of the same Assante clients for an Assante RESP account.
17. The Respondent obtained blank Assante trade order forms from the internet and completed and submitted them for the Assante clients.
18. On July 22, 2014, the Commission issued an order requiring the Respondent to cease acting as a registered representative, registered dealer, registered adviser or registered investment fund manager and to cease trading in any securities beneficially owned by anyone other than himself for a period of fifteen days.
19. On July 29, 2014, the Commission issued an order extending its July 22, 2014 order until a hearing is held and a decision is rendered in relation to the Respondent.
20. By providing advice to residents of Nova Scotia regarding their investment accounts and by submitting redemption forms on behalf of residents of Nova Scotia in relation to their investment accounts, the Respondent acted as a

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registered representative and as a registered adviser without being registered to do so, thereby violating section 31(4) of the Act.

21. By holding himself out as an "insurance advisor" and as "previously an Assante Advisor", the Respondent made an untrue statement or omitted necessary information about something that a reasonable investor would consider important in deciding whether to enter into or maintain a trading or advising relationship with the Respondent, thereby violating section 50(2) of the Act.
22. The Respondent acted in a manner contrary to fair and efficient capital markets and contrary to the public interest.

PART IV – STATEMENT OF ALLEGATIONS ACKNOWLEDGED AND ADMITTED BY THE RESPONDENT

23. The Respondent admits the facts set forth in Part III herein and acknowledges that he violated Nova Scotia securities laws.
24. The Respondent acknowledges and admits that he violated sections 31(4) and 50(2) of the Act.
25. The Respondent acknowledges that his actions undermined investor confidence in the fairness and efficiency of capital markets and were contrary to the public interest.

PART V – MITIGATING FACTORS

26. The Respondent acknowledges and accepts responsibility for his conduct which is the subject matter of this Agreement.
27. The Respondent cooperated with the investigation of this matter.
28. When engaging in the conduct which is the subject matter of this Agreement, the Respondent believed he was doing a favour for the Assante clients. The Respondent now acknowledges that he should have known better and agrees that his conduct was contrary to Nova Scotia securities laws.
29. The Respondent did not financially gain from his conduct.

PART VI – TERMS OF SETTLEMENT

30. The terms of settlement are set forth in this Agreement and in the Order contained in Schedule "A" to this Agreement, which is expressly incorporated herein.
31. The Respondent consents to the Order contained in Schedule "A".

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PART VII – COMMITMENTS

32. If this Agreement is approved and the order as set out in Schedule "A" is granted, the parties agree to waive any right to a full hearing and judicial review and appeal of this matter.
33. If this Agreement is approved by the Commission, the parties will not in any way make any statement, public or otherwise, that is inconsistent with the terms of this Agreement.
34. If this Agreement is approved by the Commission, the Respondent agrees to abide by all terms of this Agreement.
35. If, for any reason whatsoever, this Agreement is not approved, or the order set forth in Schedule "A" is not granted by the Commission:
 - a. The Director of Enforcement and the Respondent will be entitled to proceed to a hearing of the allegations which are the subject matter of this Agreement unaffected by the Agreement or the settlement negotiations;
 - b. The negotiations, the terms of the Agreement and the Agreement will not be raised in any other proceeding or disclosed to any person except with the written consent of the Director of Enforcement and the Respondent or as may otherwise be required by law; and
 - c. The Respondent agrees that he 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.
36. The Respondent acknowledges that the Director of Enforcement has the discretion to withdraw from this Agreement if additional facts or issues are discovered that cause him to conclude that it would not be in the public interest to request approval of this Agreement. In the event of such withdrawal, notice will be provided to the Respondent in writing and the provisions of paragraphs 35(a) and 35(b) of this Agreement will apply.

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PART VIII – DISCLOSURE OF SETTLEMENT AGREEMENT

37. The Director of Enforcement or the Respondent may refer to any or all parts of this Agreement as required by the General Rules of Practice and Procedure and in the course of the Settlement Hearing. 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.

PART IX – EXECUTION OF SETTLEMENT AGREEMENT

38. 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 at Halifax, Nova Scotia, this 16 day of January, 2017. ^(15 RA)

SIGNED, SEALED AND DELIVERED

In the presence of:


Witness


Michael Andrew Harrigan

DATED at Halifax, Nova Scotia, this 16 day of January, 2017. ^(19 RA) ^(15 RA)

SIGNED, SEALED AND DELIVERED

In the presence of:


Witness


Randy Gass
Director of Enforcement
Nova Scotia Securities Commission
Enforcement Branch

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SCHEDULE "A"

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

-and-

IN THE MATTER OF MICHAEL ANDREW HARRIGAN ("Respondent")

ORDER

(Sections 134, 135, 135A and 136A)

WHEREAS on _____, 2014, the Nova Scotia Securities Commission ("Commission") issued a Notice of Hearing to the Respondent pursuant to sections 134, 135, 135A and 136A of the Act;

AND WHEREAS the Respondent entered into a Settlement Agreement with the Director of Enforcement for the Commission ("Director of Enforcement") whereby he agreed to a proposed settlement of the proceeding, subject to the approval of the Commission;

AND WHEREAS the Director of Enforcement and the Respondent recommend approval of the Settlement Agreement;

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

AND UPON reviewing the Settlement Agreement, and upon hearing submissions of counsel for the Director of Enforcement and the Respondent;

IT IS HEREBY ORDERED that:

1. The Settlement Agreement dated _____, 2014, a copy of which is attached, is approved;
2. The Commission Order in this matter dated July 29, 2014 is revoked;
3. Pursuant to section 134(1)(a) of the Act, the Respondent shall comply with and cease contravening Nova Scotia securities laws;
4. Pursuant to section 134(1)(c) of the Act, that all of the exemptions contained in Nova Scotia securities laws do not apply to the Respondent for a period of two (2) years;

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5. Pursuant to section 134(1)(d)(ii) of the Act, the Respondent be prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for a period of two (2) years;
6. Pursuant to section 134(1)(f) of the Act, that terms and conditions of close supervision and monthly reporting be imposed upon any grant of registration to the Respondent for a period of two (2) years from the date of granting the registration;
7. Pursuant to section 134(1)(h) of the Act, that the Respondent be reprimanded;
8. Pursuant to sections 135(a) and (b) of the Act, the Respondent shall forthwith pay an administrative penalty in the amount of seven thousand five hundred dollars (\$7,500.00); and
9. Pursuant to section 135A of the Act, the Respondent shall forthwith pay costs in the amount of one thousand dollars (\$1,000.00) in connection with the investigation and conduct of this proceeding.
10. Pursuant to section 136A of the Act, the Respondent shall successfully complete the Conduct and Practices Handbook course offered by the Canadian Securities Institute within six (6) months of being granted any category of registration pursuant to Nova Scotia securities laws;

DATED at Halifax, Nova Scotia, this _____ day of _____, 2014.

NOVA SCOTIA SECURITIES COMMISSION

(Chair)

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