

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

- AND -

IN THE MATTER OF
L. JOHN DURING (THE "RESPONDENT")

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The parties to this Settlement Agreement ("Agreement") are the Respondent and Staff of the Nova Scotia Securities Commission.
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. Staff of the Commission ("Staff") 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. Staff 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. Staff and Respondent agree with the facts and conclusions set out in this Part of the Agreement.



9. At all relevant times, the Respondent was a resident of Nova Scotia.
10. At all relevant times, the Respondent was not registered in any capacity under the provisions of the Act.
11. Between October 1, 2008 and December 31, 2008, the Respondent entered nine buy orders in the account of his spouse for shares of Angoss Software Corp. within 30 minutes of market close ("Orders"):
 - a. On October 8, 2008, at 15:05:12 Eastern Standard Time, the Respondent entered a buy order that increased the bid by \$0.20 (95.2%). The order did not result in a trade;
 - b. On October 15, 2008, with 11 seconds remaining in the trading day, the Respondent entered a buy order which increased the bid by \$0.26 (136.8%). The order did not result in a trade and established the closing bid price;
 - c. On October 21, 2008, with 13 seconds remaining in the trading day, the Respondent entered a buy order which increased the bid by \$0.05 (12.5%). The order did not result in a trade and established the closing bid price;
 - d. On October 23, 2008, with 13 seconds remaining in the trading day, the Respondent entered a buy order which increased the bid by \$0.03 (7.5%). The order did not result in a trade and established the closing bid price;
 - e. On October 31, 2008, with 14 seconds remaining in the trading day, the Respondent entered a buy order which increased the bid by \$0.01 (2.2%). The order did not result in a trade and established the closing bid price;
 - f. On November 13, 2008, with less than one minute remaining in the trading day, the Respondent entered a buy order which increased the bid by \$0.09 (30%). The order did not result in a trade and established the closing bid price;
 - g. On November 14, 2008, with less than one minute remaining in the trading day, the Respondent entered a buy order which increased the bid by \$0.065 (21.3%). The order did not result in a trade and established the closing bid price;



- h. On November 17, 2008, with 30 seconds remaining in the trading day, the Respondent entered a buy order which increased the bid by \$0.07 (23.3%). The order did not result in a trade and established the closing bid price; and
 - i. On November 18, 2008, with 25 seconds remaining in the trading day, the Respondent entered a buy order which increased the bid by \$0.10 (40%). The order did result in a trade.
12. In summary, seven of the nine Orders established the closing bid price, eight of the nine Orders were entered within one minute of market close, only one Order was filled, and all nine Orders improved the bid price.
13. The Respondent entered the Orders for the purpose of artificially improving the bid price of the shares.
14. The Respondent engaged in conduct that resulted a misleading appearance of trading activity and an artificial price for shares of Angoss Software Corp, thereby violating section 132A(a) of the Act.

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

15. The Respondent acknowledges and admits that he violated section 132A(a) of the Act.
16. The Respondent acknowledges that his actions undermined investor confidence in the fairness and efficiency of capital markets in Nova Scotia and were contrary to the public interest.
17. The Respondent admits the facts set forth in Part III herein and acknowledges that he violated the Act.

PART V - MITIGATING FACTORS

18. The Respondent acknowledges and accepts responsibility for his conduct which is the subject matter of this Agreement.
19. The Respondent cooperated with Staff's investigation of this matter.
20. The Respondent's involvement in the capital markets consisted of trading within his own account or the account of his spouse. He is not registered with the



Commission, and he was not aware that his actions were contrary to Nova Scotia securities laws.

21. The Respondent did not profit from his actions, and he regrets his actions and their affect on the capital markets.

PART V – TERMS OF SETTLEMENT

22. The terms of settlement are set forth in the order contained in Schedule “A” to this Agreement which is expressly incorporated herein.
23. The Respondent consents to the order contained in Schedule “A”.

PART VI – COMMITMENTS

24. 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.
25. 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.
26. If this Agreement is approved by the Commission, the Respondent agrees to abide by all terms of this Agreement as set out in the Order attached as Schedule “A”.
27. 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. Staff 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 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 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.



28. 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 Respondent in writing. In the event of such notice being given, the provisions of paragraph 27 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

29. Staff 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.

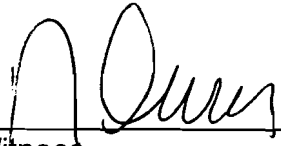
A handwritten signature in black ink, appearing to be 'RJP', is located in the lower right quadrant of the page.

IX EXECUTION OF SETTLEMENT AGREEMENT

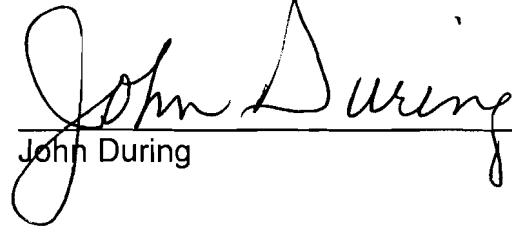
30. This Agreement may be signed in one or more counterparts that together shall constitute a binding agreement and a facsimile copy of any signature shall be as effective as an original signature.

Dated this 30 day of March 2010.

SIGNED, SEALED AND DELIVERED
In the presence of:



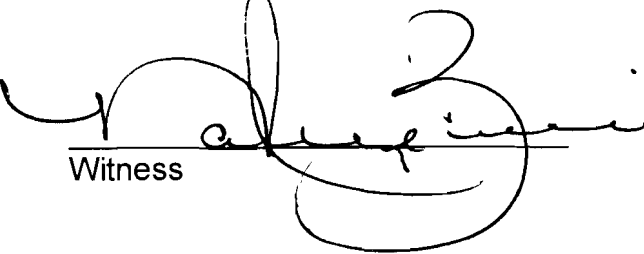
Witness



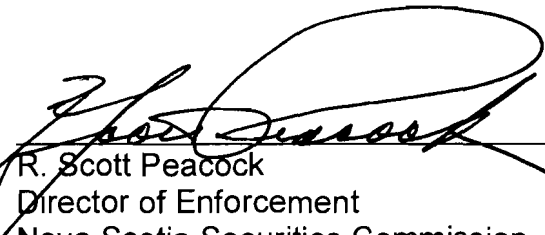
John During

Dated this 7th day of April 2010.

SIGNED, SEALED AND DELIVERED
In the presence of:



Witness

Staff of the Nova Scotia Securities
Commission


R. Scott Peacock
Director of 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 L. JOHN DURING
("Respondent")

ORDER

(Sections 134, 135 and 135A)

WHEREAS on _____, 2010, the Nova Scotia Securities Commission ("Commission") issued a Notice of Hearing to the Respondent pursuant to sections 134, 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 that:

1. the settlement agreement dated _____, 2010, a copy of which is attached, is approved;
2. pursuant to section 134(1)(b)(i), the Respondent shall cease trading securities on his own behalf or on behalf of others, for a period of two (2) years, except through a Dealing Representative registered with the Commission;
3. pursuant to section 134(1)(c) of the Act, the Respondent shall be denied all exemptions authorized under Nova Scotia securities laws;
4. pursuant to section 135 of the Act, the Respondent shall pay an administrative penalty in the amount of two thousand five hundred dollars (\$2,500.00) forthwith; and
5. 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 one thousand dollars (\$1,000.00) forthwith.

DATED at Halifax, Nova Scotia, this _____ day of _____, 2010.

NOVA SCOTIA SECURITIES COMMISSION

(Chairman)

