

IN THE MATTER OF THE SECURITIES ACT,
S.N.B. 2004, c. S-5.5 (*ACT*)

AND

IN THE MATTER OF

LEGACY ASSOCIATES INC.
(Respondent)

ORDER

WHEREAS on 7 October 2008, Staff of the New Brunswick Securities Commission (Staff) issued a Statement of Allegations in respect of the Respondent, Legacy Associates Inc. (Legacy);

AND WHEREAS Legacy entered into a Settlement Agreement dated 6 November 2008 (Agreement) in which it agreed to a proposed settlement of this proceeding, subject to the approval of the Commission;

AND UPON REVIEWING the Agreement and the Agreed Statement of Facts filed in this matter;

AND WHEREAS the Commission finds that Legacy failed to comply with New Brunswick securities law as it pertains to regulatory compliance;

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

NOW THEREFORE IT IS HEREBY ORDERED THAT:

1. pursuant to section 191(1)(a) of the *Act*, the Agreement entered into on 6 November 2008 with respect to Legacy, is hereby approved;
2. pursuant to section 184(1)(e) of the *Act*, Legacy shall within a reasonable period of time appoint and register a qualified individual to act as its lead compliance officer;
3. pursuant to section 184(1)(e) of the *Act*, Legacy shall within a reasonable period of time engage an independent consultant to assist Legacy in reviewing and revising its documentation and procedures;
4. pursuant to section 184(1)(a) of the *Act*, the registration granted to Legacy shall be subject to the following terms and conditions:
 - (a) Legacy shall not register any further mutual fund salespersons beyond the current number of 38,
 - (b) Legacy shall not enter into any new referral arrangements,

(c) Legacy shall terminate the New Brunswick registration of any salesperson wishing to remain dually employed as a mortgage broker, and

(d) Legacy shall not trade in exempt securities

until further Order of the Commission or the Executive Director of the Commission;

5. pursuant to section 186(1) of the *Act*, Legacy shall pay an administrative penalty for failing to comply with New Brunswick securities law in the amount of \$15,000.00 (fifteen thousand dollars); and
6. pursuant to section 167 of the *Act*, Legacy shall pay fees and expenses relating to the compliance review conducted on 23 June 2008 in the amount of \$5,000.00 (five thousand dollars).

DATED at the City of Saint John this 12th day of November, 2008.

"original signed by"

Donne W. Smith, Panel Chair

"original signed by"

Kenneth Savage, Panel Member

"original signed by"

Sheldon Lee, Panel Member

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