

NOVA SCOTIA COURT OF APPEAL

**Citation: *Adams v. Nova Scotia
(Securities Commission)*, 2013 NSCA 75**

Date: 20130625
Docket: CA 409539
Registry: Halifax

Between:

Timothy Adams, Lowell Weir
and Carol McLaughlin-Weir

Appellants

v.

Staff of the Nova Scotia Securities
Commission, the Nova Scotia Securities
Commission and the
Attorney General of Nova Scotia

Respondents

Judges: MacDonald, C.J.N.S., Fichaud and Bryson, JJ.A.

Appeal Heard: June 17, 2013, in Halifax, Nova Scotia

Held: Appeal dismissed, per judgment of the Court.

Counsel: W. Dale Dunlop and Sean MacDonald, for the appellants
Stephanie Atkinson, for the respondent, the staff at the Nova
Scotia Securities Commission
Edward A. Gores, Q.C., for the respondent, the Nova Scotia
Securities Commission and Attorney General of Nova
Scotia (not appearing)

By the Court:

[1] Timothy Adams and Carol McLaughlin-Weir appeal Nova Scotia Security Commission findings that they were insiders. They and Lowell Weir appeal the imposition of administration of penalties and costs assessed against them by the Commission.

[2] All three appellants were associated with a publicly traded Nova Scotia Company known as “The Helical Corporation Inc.”. Mr. Weir was President and Chief Executive Officer of Helical. Ms. McLaughlin-Weir prepared financial statements and performed accounting services for Helical. She also signed certifications and interim filings of Helical as “Chief Financial Officer”. Formerly these filings were executed by Helical’s President.

[3] Mr. Adams described himself as a “... Director, Senior Officer or Insider” of Helical on a Power of Attorney document relating to the operation of a retail brokerage account. He held himself out as a Vice President of Helical. He acknowledged as much for the purpose of trading securities of Helical on the TSX Venture Exchange.

[4] All the appellants traded in shares of Helical without disclosure of their trading. Mr. Adams and Ms. McLaughlin-Weir later attempted to distance themselves from their actions, claiming they were not really insiders. Mr. Weir said he paid late filing fees levied by the Ontario Securities Commission with respect to his trading and is thereby insulated from any regulatory action by the Nova Scotia Securities Commission. But Helical was a reporting issuer in Nova Scotia.

[5] We have carefully considered the appellants’ submissions.

[6] We are of the unanimous view that this appeal should be dismissed. We agree with the Commission that:

45. ... this is an ordinary proceeding for a failure to file insider reports with little remarkable in it except perhaps the vehemence with which it has been contested. We do not see, at bottom, much merit in the Respondents’ arguments. The three Respondents are insiders, they traded in securities, they did not disclose, they violated the *Securities Act*. It is in the public interest to make an order against them to deter them in future and others from ignoring the insider disclosure provisions of the *Act*.

[7] The Commission's reasoning is clear and its conclusions of fact and law are well supported on the record, as is its analysis and imposition of penalties on each appellant. The Commission's findings and conclusions are reasonable under this Court's standard of review. The appeal is dismissed without costs.

MacDonald, C.J.N.S.

Fichaud, J.A.

Bryson, J.A.