

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

- AND -

**IN THE MATTER OF
EDWARDS SECURITIES INC., DAVID GERALD EDWARDS,
DAVID FREDERICK JOHNSON, CLANSMAN 98 INVESTMENTS INC.
and DOUGLAS G. MURDOCK**

**ORDER
(Section 127 and 127.1)**

WHEREAS on August 9, 2002 the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990 c.S.5, as amended (the “Act”) in respect of Edwards Securities Inc. (“ESI”), David Gerald Edwards (“Edwards”), David Frederick Johnson, Clansman 98 Investments Inc. and Douglas G. Murdock;

AND WHEREAS ESI and Edwards entered into a settlement agreement with Staff of the Commission dated December 13, 2002 (the “Settlement Agreement”) in which they agreed to a proposed settlement of the proceeding, subject to the approval of the Commission;

AND UPON reviewing the Settlement Agreement and the Statement of Allegations of Staff of the Commission, and upon hearing submissions from Edwards and from counsel for 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 December 13, 2002 attached to this Order is hereby approved;
- (2) pursuant to clause 1 of subsection 127(1) of the Act, Edwards' registration under Ontario securities law is hereby terminated;
- (3) pursuant to clause 2 of subsection 127(1) of the Act, Edwards is hereby permanently prohibited from trading in securities, with the exception of securities held in his own name and listed on the Toronto Stock Exchange;
- (4) pursuant to clause 6 of subsection 127(1) of the Act, Edwards is hereby reprimanded by the Commission;
- (5) pursuant to clause 7 of subsection 127(1) of the Act, Edwards is hereby required to resign all positions that he currently holds as officer or director of ESI;
- (4) pursuant to clause 7 of subsection 127(1) of the Act, Edwards is hereby required to resign all positions that he currently holds as officer or director of any issuer;
- (5) pursuant to clause 8 of subsection 127(1) of the Act, Edwards is hereby permanently prohibited from becoming or acting as an officer or director of any issuer;
- (6) pursuant to subsection 127.1(1)(b) of the Act, Edwards will make a payment to the Commission in the amount of \$5,000.00 in respect of a portion of the costs of Staff's investigation of this matter;

- (7) pursuant to clause 1 of subsection 127(1) of the Act, ESI's registration under Ontario securities law is hereby terminated;
- (8) pursuant to clause 2 of subsection 127(1) of the Act, ESI is hereby permanently prohibited from trading in securities; and
- (9) pursuant to clause 6 of subsection 127(1) of the Act, ESI is hereby reprimanded by the Commission.

DATED at Toronto this 17th day of December, 2002

“Robert Davis”
Robert Davis

“Harold Hands”
Harold Hands