

**IN THE MATTER OF
USI TECH LIMITED, ELEANOR PARKER AND CASEY COMBDEN**

FILE NO.: 2018-8

**MOTION OF STAFF
OF THE ONTARIO SECURITIES COMMISSION**
(For Extension of a Temporary Order Under Subsection 127(8) of the *Securities Act*
Hearing to Extend Temporary Order dated July 18, 2018)

A. ORDER SOUGHT

The Applicant, Staff of the Ontario Securities Commission ("**Staff**"), request that the Ontario Securities Commission (the "**Commission**") make the following order(s):

1. pursuant to subsection 127(8) of the *Securities Act*, RSO 1990, c S.5, as amended (the "**Act**"), an order extending the temporary order dated July 18, 2018, attached hereto at Tab 2, to the earlier of:
 - a. April 19, 2019 or until such time as considered necessary by the Commission; and
 - b. the date on which the inter-jurisdictional enforcement proceeding commenced on December 5, 2018 against USI-Tech Limited (File No. 2018-75) is concluded, provided that at the conclusion of that proceeding the Commission issues an order against USI-Tech that:
 - i. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by or of USI-Tech cease permanently; and
 - ii. pursuant to paragraph 2.1 of subsection 127(1) of the Act, acquisition of any securities of USI-Tech cease permanently; and
2. such further orders as the Commission considers appropriate.

B. GROUNDS

The grounds for the request are:

1. The Commission made a temporary order in this matter on February 14, 2018 (the "**Temporary Order**");
2. On February 26, 2018, the Commission made an order extending the temporary order until April 6, 2018;
3. On April 5, 2018, the Commission made an order extending temporary order until July 19, 2018;
4. On July 18, 2018, the Commission made an order extending the temporary order until January 23, 2019;
5. USI Tech Limited, also known as USI-Tech Limited ("**USI Tech**"), operates a multi-level marketing operation which is headquartered in Dubai. There is no evidence at this time, however, to confirm where it is based;
6. USI Tech carries on business as www.usitech-int.com (the "**Website**"). The Website is maintained by a third party administrator, and the information about the true registrant is private.
7. USI Tech markets itself as an "...Innovative and Automated Bitcoin Trading Platform";
8. Eleanor Parker ("**Parker**") is a resident of Ontario;
9. Casey Combden ("**Combden**") is a resident of Ontario;
10. Until the Temporary Order, Parker and Combden appeared to be promoting and soliciting Ontario residents to purchase packages of mining bitcoin offered through USI Tech;
11. According to USI Tech's terms and conditions, promoters of USI Tech are called "Sales Partners" who register with USI Tech as "entrepreneurs" and present services of and membership of USI Tech to the public.;
12. USI Tech, Parker and Combden have never been registered with the Commission in any capacity;

13. USI Tech is not a reporting issuer in Ontario and has never filed a prospectus in Ontario;
14. Parker and Combden may have engaged in or held themselves out as engaging in the business of advising without the necessary registration or an applicable exemption from the registration requirement, contrary to section 25 of the Act;
15. USI Tech, Parker and Combden may have engaged in trading of securities which constituted a distribution without a prospectus or an applicable exemption from the prospectus requirement, contrary to section 53 of the Act;
16. USI Tech, Parker and Combden may have acted contrary to the public interest;
17. On September 11, 2018, the Commission made an order removing Gowling WLG (Canada) LLP as counsel of record for USI Tech, Parker and Combden;
18. On December 4, 2018, Staff filed a Statement of Allegations (the "**Statement of Allegations**") adopting the expedited procedure for a written hearing provided for by Rule 11(3) of the Commission's *Rules of Procedure*, as amended as of October 31, 2017 (the "**Rules of Procedure**");
19. In the Statement of Allegations, Staff requested that the Commission make an inter-jurisdictional enforcement order against USI-Tech Limited ("**USI-Tech**") pursuant to paragraph 4 of subsection 127(10) of Act, including that trading in any securities or derivatives by or of USI-Tech cease permanently and that acquisition of any securities of USI-Tech permanently;
20. USI-Tech is the same entity as USI Tech;
21. On December 5, 2018, the Office of the Secretary of the Commission issued the Notice of Hearing, commencing an inter-jurisdictional enforcement proceeding under subsections 127(1) and 127(10) of the Act;
22. The inter-jurisdictional enforcement proceeding against USI-Tech is ongoing;
23. Staff's investigation into the conduct described above is currently on hold, pending the outcome of the inter-jurisdiction enforcement proceeding;
24. Subsection 127(8) of the Act;

25. Rule 13 of the *Rules of Procedure*; and
26. Such further or other grounds as Staff may advise and the Commission may permit.

C. EVIDENCE

Staff intend to rely on the following evidence at the hearing:

1. The affidavit of Jamie Stuart sworn on February 22, 2018 and filed on February 23, 2018;
2. The affidavit of Jamie Stuart sworn on March 13, 2018 and filed on March 22, 2018;
3. The affidavit of Jamie Stuart sworn and filed on July 5, 2018; and
4. The affidavit of Jamie Stuart sworn on January 11, 2019 and attached hereto at Tab 3.

DATED this 11th day of January, 2019.

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