



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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**IN THE MATTER OF
JASON MICHAEL CURREY, THE HEALTHY RETIREMENT GROUP INC.,
SUNSET CREEK RESOURCES INC. and 1826487 ALBERTA LTD.**

**STATEMENT OF ALLEGATIONS
(Subsections 127(1) and 127(10) of the *Securities Act*, RSO 1990 c S.5)**

1. Staff of the Enforcement Branch (**Staff**) of the Ontario Securities Commission (the **Commission**) elect to proceed using the expedited procedure for inter-jurisdictional proceedings as set out in Rule 11(3) of the Commission's *Rules of Procedure*.

A. ORDER SOUGHT

2. Staff request that the Commission make the following inter-jurisdictional enforcement order, pursuant to paragraph 4 of subsection 127(10) of the Ontario *Securities Act*, RSO 1990 c S.5 (the **Act**):

- (a) against Jason Michael Currey (**Currey**) that:

until the later of February 27, 2038 or the date on which the administrative penalty ordered against Currey in paragraph 94 of the Alberta Securities Commission's Order dated February 27, 2018 (the **ASC Order**) has been paid in full:

- i. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in securities or derivatives by Currey cease, except that this order does not preclude Currey from trading in securities through a registrant (who has first been given a copy of the ASC Order, and

a copy of the order of the Commission in this proceeding, if granted) in registered accounts or tax-free savings accounts maintained with that registrant for the benefit of one or more of Currey, his spouse or his dependent children;

- ii. pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Currey cease, except that this order does not preclude Currey from purchasing securities through a registrant (who has first been given a copy of the ASC Order, and a copy of the order of the Commission in this proceeding, if granted) in registered accounts or tax-free savings accounts maintained with that registrant for the benefit of one or more of Currey, his spouse or his dependent children;
- iii. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Currey;
- iv. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Currey resign any positions that he holds as a director or officer of any issuer or registrant, including an investment fund manager;
- v. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Currey be prohibited from becoming or acting as a director or officer of any issuer or registrant, including an investment fund manager, except that this order does not preclude Currey from becoming or acting as a director or officer of an issuer that is wholly owned by Currey, his spouse, his parents, his siblings or his children, and which does not issue or propose to issue securities to the public; and

- vi. pursuant to paragraph 8.5 of subsection 127(1) of the Act, Currey be prohibited from becoming or acting as a registrant, including an investment fund manager, or promoter;
- (b) against The Healthy Retirement Group Inc. (**HRG**), Sunset Creek Resources Inc. (**Sunset**) and 1826487 Alberta Ltd. (**182 Alberta**) that:
- until the later of February 27, 2038 or the date on which the administrative penalty ordered against Currey in paragraph 94 of the ASC Order has been paid in full:
- i. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in securities or derivatives by HRG, Sunset and 182 Alberta cease;
 - ii. pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by HRG, Sunset and 182 Alberta cease;
 - iii. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to HRG, Sunset or 182 Alberta; and
 - iv. pursuant to paragraph 8.5 of subsection 127(1) of the Act, HRG be prohibited from becoming or acting as a registrant, including an investment fund manager; and
- (c) such other order or orders as the Commission considers appropriate.

B. FACTS

Staff make the following allegations of fact:

3. Currey, HRG, Sunset and 182 Alberta (the **Respondents**) are subject to the ASC Order, which imposes sanctions, conditions, restrictions or requirements upon them.
4. In its findings on liability dated February 27, 2018 (the **Findings**) a panel of the ASC (the **ASC Panel**) found that the Respondents engaged in unregistered dealing and advising, without any exemption to do so, contrary to sections 75(1)(a) and 75(1)(b), respectively, of the Alberta *Securities Act*, RSA 2000 c S-4 (the **Alberta Act**). Further, the ASC Panel found that the Respondents perpetrated a fraud on investors in relation to securities of Sunset and 182 Alberta, contrary to section 93(b) of the Alberta Act.

(i) The ASC Proceedings

Statement of Admissions and Joint Submission on Sanction

5. During the course of the ASC proceedings, the Respondents and ASC Staff entered into a Statement of Admissions and Joint Submission on Sanction (the **Statement**). The Respondents admitted therein that they had engaged in fraud and unregistered dealing, as alleged by ASC Staff. Currey and HRG admitted that they had engaged in unregistered advising, as alleged by ASC Staff. A summary of the Statement and the ASC Panel's Findings is set out below.

Background

6. The conduct for which the Respondents were sanctioned occurred between approximately December 2013 and October 2015 (the **Material Time**).
7. As of the date of the Findings, Currey was a resident of Calgary, Alberta. Currey was registered as an exempt market dealer with the ASC for a brief period in 2011, but was not registered with the ASC during the Material Time.

8. Currey was the founder, guiding mind, and sole director, shareholder and employee of each of the three corporate Respondents, HRG, Sunset and 182 Alberta. In the Statement, Currey admitted to authorizing, permitting or acquiescing in breaches of the Alberta Act by HRG, Sunset and 182 Alberta.
9. HRG was incorporated in Alberta in January 2008, and carried on business in Calgary. Its business ostensibly involved insurance sales and was Currey's primary marketing vehicle, engaging in the business of trading and advising in securities. HRG was not registered with the ASC during the Material Time.
10. Sunset was incorporated in Alberta in November 2013, and carried on business in Calgary. Currey operated Sunset as an investment vehicle. Sunset distributed debentures or other securities in Sunset, the proceeds of which were purportedly intended to fund investments in resource development companies. Sunset was not registered with the ASC during the Material Time.
11. 182 Alberta was incorporated in Alberta in June 2014, and carried on business in Calgary. Currey operated 182 Alberta as an investment vehicle. 182 Alberta distributed debentures or other securities in 182 Alberta, the proceeds of which were purportedly intended to fund real estate purchases and other unspecified investments. 182 Alberta was not registered with the ASC during the Material Time.
12. During the Material Time, Currey and HRG used Sunset and 182 Alberta to raise approximately \$3.2 million from the sale of securities, including promissory notes and debentures.
13. Sunset and 182 Alberta investors were told that their funds would be directed to specific investments that were not high risk, and would provide them with a return. However, by June 2014, the Respondents used at least \$695,200 for purposes other than those disclosed to investors, including payments to other investors and directing funds to HRG or Currey, for Currey's personal expenses and debt.

ASC Findings - Conclusions

14. In its Findings, the ASC Panel concluded, consistent with the Statement, that:
- (a) the Respondents engaged in unregistered dealing, without any exemption to do so, contrary to section 75(1)(a) of the Alberta Act;
 - (b) Currey and HRG engaged in unregistered advising, without any exemption to do so, contrary to section 75(1)(b) of the Alberta Act; and
 - (c) the Respondents perpetrated a fraud on investors in relation to securities of Sunset and 182 Alberta, contrary to section 93(b) of the Alberta Act.

(ii) The ASC Order

15. The ASC Order imposed the following sanctions, conditions, restrictions or requirements upon the Respondents:

Market-Access Bans

- (a) under s. 198(1)(d) of the Alberta Act, Currey must immediately resign all positions he holds as a director or officer of any issuer, registrant, investment fund manager, recognized exchange, recognized self-regulatory organization, recognized clearing agency, recognized trade repository or recognized quotation and trade reporting system;
- (b) for a period of 20 years from the date of the ASC Order or until the administrative penalty set out below is paid in full, whichever is the later:
 - i. under s. 198(1)(b) of the Alberta Act, the Respondents must cease trading in or purchasing any securities or derivatives, except that the ASC Order does not preclude Currey from trading

in or purchasing securities through a registrant (who has first been given a copy of the ASC Order) in registered accounts or tax-free savings accounts maintained with that registrant for the benefit of one or more of himself, his spouse or his dependent children;

- ii. under s. 198(1)(c) of the Alberta Act, all of the exemptions contained in Alberta securities laws do not apply to the Respondents;
- iii. under s. 198(1)(e) of the Alberta Act, Currey is prohibited from becoming or acting as a director or officer (or both) of any issuer (or other person or company that is authorized to issue securities), registrant, investment fund manager, recognized exchange, recognized self-regulatory organization, recognized clearing agency, recognized trade repository or recognized quotation and trade reporting system, except that the ASC Order does not preclude Currey from becoming or acting as a director or officer (or both) of an issuer that is wholly owned by himself, his spouse, his parents, his siblings or his children, and which does not issue or propose to issue securities to the public;
- iv. under s. 198(1)(e.1) of the Alberta Act, Currey and HRG are prohibited from advising in securities or derivatives;
- v. under s. 198(1)(e.2) of the Alberta Act, Currey is prohibited from becoming or acting as a registrant, investment fund manager or promoter; and
- vi. under s. 198(1)(e.3) of the Alberta Act, Currey is prohibited from acting in a management or consultative capacity in connection with activities in the securities market;

Disgorgement

- (c) under s. 198(1)(i) of the Alberta Act, Currey must pay to the ASC \$120,200 obtained as a result of his non-compliance with Alberta securities laws;

Administrative Penalty

- (d) under s. 199 of the Alberta Act, Currey must pay to the ASC an administrative penalty of \$200,000; and

Cost Recovery

- (e) under s. 202 of the Alberta Act, Currey must pay to the ASC \$25,000 of the costs of the ASC's investigation and hearing.

C. JURISDICTION OF THE ONTARIO SECURITIES COMMISSION

16. The Respondents are subject to an order of the ASC imposing sanctions, conditions, restrictions or requirements upon them.
17. Pursuant to paragraph 4 of subsection 127(10) of the Act, an order made by a securities regulatory authority, derivatives regulatory authority or financial regulatory authority, in any jurisdiction, that imposes sanctions, conditions, restrictions or requirements on a person or company may form the basis for an order in the public interest made under subsection 127(1) of the Act.
18. Staff allege that it is in the public interest to make an order against the Respondents.
19. Staff reserve the right to amend these allegations and to make such further and other allegations as Staff deem fit and the Commission may permit.

DATED at Toronto this 13th day of August, 2018.