

**In the Matter of
The Securities Act, 1988**

and

**In the Matter of
Ryan Godlien**

Order Approving Settlement

WHEREAS, pursuant to section 17 of *The Financial and Consumer Affairs Authority of Saskatchewan Act* (the "FCAA Act"), the Chairperson of the Financial and Consumer Affairs Authority of Saskatchewan (the "Authority") has appointed a panel (the "Hearing Panel") to hear this matter;

AND WHEREAS, by virtue of subsection 17(7) of the FCAA Act, a decision or action of the Hearing Panel in relation to this matter is a decision of the Authority;

AND WHEREAS Ryan Godlien (the "Respondent") and the Executive Director of the Securities Division (the "Executive Director") of the Authority have entered into a settlement agreement dated May 10th, 2022 (the "Settlement Agreement"), the original of which is attached hereto as Schedule "A";

AND WHEREAS the Respondent has admitted to contravening clause 27(2)(a) of The Securities Act, 1988 (the Act);

AND WHEREAS an application has been received by the Hearing Panel from Staff of the Authority for an order that:

1. The Settlement Agreement is approved;
2. Pursuant to paragraph 134(1)(a) of the Act, all of the exemptions in Saskatchewan securities law do not apply to Ryan Godlien, for eighteen (18) months;
3. Pursuant to paragraph 134 (1) (d) of the Act, Ryan Godlien shall cease trading in any securities and derivatives in Saskatchewan, for eighteen (18) months, save for the purposes of his own personal trading account(s) and/or digital wallet(s);
4. Pursuant to paragraph 134 (1) (d.1) of the Act, Ryan Godlien shall cease acquiring securities and derivatives for and on behalf of residents of Saskatchewan, for eighteen (18) months, save for the purposes of his own personal trading account(s) and/or digital wallet(s); and
5. Pursuant to paragraph 134 (1) (e) of the Act, Ryan Godlien shall cease giving advice respecting securities and derivatives and trades thereof in Saskatchewan, for eighteen (18) months.

AND WHEREAS pursuant to section 135.3 of the Act, proceedings may be disposed of by an agreement approved by the Authority, without the necessity of a hearing;

AND WHEREAS the Respondent has waived its rights to a hearing on the merits in this matter, and has consented to the issuance of this Order;

AND WHEREAS the Hearing Panel is of the opinion that it is in the public interest to make this Order;

IT IS HEREBY ORDERED THAT:

1. The Settlement Agreement is approved; and
2. Pursuant to paragraph 134(1)(a) of the Act, all of the exemptions in Saskatchewan securities law do not apply to Ryan Godlien, for eighteen (18) months;
3. Pursuant to paragraph 134 (1) (d) of the Act, Ryan Godlien shall cease trading in any securities and derivatives in Saskatchewan, for eighteen (18) months, save for the purposes of his own personal trading account(s) and/or digital wallet(s);
4. Pursuant to paragraph 134 (1) (d.1) of the Act, Ryan Godlien shall cease acquiring securities and derivatives including for and on behalf of residents of Saskatchewan, for eighteen (18) months, save for the purposes of his own personal trading account(s) and/or digital wallet(s);
5. Pursuant to paragraph 134 (1) (e) of the Act, Ryan Godlien shall cease giving advice respecting securities and derivatives and trades thereof in Saskatchewan, for eighteen (18) months.

DATED at Regina, Saskatchewan on August 18, 2022.



Karen Prisciak Q.C.,
Chairperson of the Hearing Panel
Financial and Consumer Affairs Authority of
Saskatchewan

**In the Matter of
*The Securities Act, 1988***

and

In the Matter of

Ryan Godlien

SETTLEMENT AGREEMENT

WHEREAS the Executive Director of the Securities Division (the “Executive Director”) of Financial and Consumer Affairs Authority of Saskatchewan (the “Authority”) filed a Statement of Allegations of Staff of the Authority, dated November 30, 2020 (the Statement of Allegations), with the Authority, in which it was alleged that Ryan Godlien (“Mr. Godlien” or the “Respondent”) engaged in specified activities that were contrary to the public interest and in contravention of *The Securities Act, 1988* (the “Act”);

AND WHEREAS the Respondent and the Executive Director desire to dispose of the allegations against the Respondent, as contained in the Statement of Allegations, by way of agreement (the “Settlement Agreement”), as permitted by clauses 135.3(1)(a) and 135.3(1)(b) of the Act;

AND WHEREAS the Respondent and the Executive Director acknowledge that this Settlement Agreement is subject to the approval of the Authority and, if approved by the Authority, will be published on the Authority’s website;

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, the Respondent and the Executive Director hereby agree as follows:

1. For the purposes of this Settlement Agreement, the Respondent and Staff accept that the following were findings by the United States Securities and Exchange Commission (“SEC”) in its August 12, 2019 settlement (the “SEC Settlement Agreement”) with SimplyVital Health, Inc. (“SimplyVital”):
 - (a) At the material time, SimplyVital was a Delaware corporation operating in Brighton, Massachusetts. It was founded in 2017 as a privately-owned corporation based in Bloomfield, Connecticut. SimplyVital described itself as the designer and creator of Health Nexus, a health care-related blockchain protocol through which healthcare providers could safely share their patient data.
 - (b) On September 21, 2017, SimplyVital publicly announced its plan to conduct a token sale to raise money to further its development of Health Nexus. SimplyVital offered its own new token called Health Cash, or HLTH, which

it explained would be used ultimately as currency in the Health Nexus ecosystem that the company was developing based upon its blockchain protocol.

- (c) SimplyVital announced that its main token sale or “crowdsale” would occur between November 22, 2017 and December 20, 2017. SimplyVital planned to create a total of 200 million HLTH tokens to offer and sell.
- (e) Also on September 21, 2017, SimplyVital announced that it would conduct a “pre-sale” available to the public that would begin on September 26, 2017. In the pre-sale, SimplyVital offered to enter into purchase agreements with investors, called Simple Agreements for Future Tokens (“SAFTs”), under which HLTH tokens would be delivered to investors if and when SimplyVital created them. Initially, SimplyVital offered to sell 40 million of the 200 million HLTH tokens in its pre-sale and projected that the pre-sale would end on October 24, 2017.
- (f) SimplyVital set an investment minimum in its pre-sale of 35 Ether (“ETH”), a digital asset native to the Ethereum blockchain. During late September 2017, the pre-sale minimum of 35 ETH was equivalent to approximately \$10,000 U.S. dollars (“USD”). To encourage investment, SimplyVital offered pre-sale investors a bonus, meaning investors could purchase HLTH tokens from the pre-sale at a significant discount compared to the price at which SimplyVital would offer HLTH tokens during its crowdsale or “main sale”.
- (g) In late October 2017, SimplyVital extended its pre-sale due to low sales to investors.
- (h) To participate in the SimplyVital pre-sale, investors had to provide personal background information via the SimplyVital website, communicate directly with a representative of SimplyVital, and eventually execute a SAFT in exchange for ETH or USD. During the pre-sale purchasing process, investors expressed to SimplyVital that they were entering into the SAFTs in order to acquire future HLTH tokens. The SAFT agreement stated, among other things, that proceeds being raised in the pre-sale would be used by SimplyVital to fund the development of the Health Nexus platform and blockchain protocol.
- (i) After the close of its pre-sale, SimplyVital scheduled its crowdsale of HLTH tokens for May 2018. Staff of the SEC contacted SimplyVital concerning the offering and SimplyVital decided against conducting it. According to the SEC Settlement Agreement, SimplyVital had not, at this time, generated or created any HLTH tokens and, therefore, had not delivered any HLTH tokens to pre-sale investors, including to the SVH Pools (as described below) created by Mr. Godlien.

- (j) On January 25, 2019, SimplyVital publicly announced it would not generate HLTH tokens and would return funds to those who had participated in the token pre-sale.

2. The Respondent admits the following:

- (a) The Respondent, Ryan Godlien, is an individual resident in Moose Jaw, Saskatchewan. The Respondent was not registered as a dealer or representative of a registered dealer in Saskatchewan at the material time.
- (b) Mr. Godlien created a YouTube channel called “TheGobOne” and he retained sole editorial control of this channel. In September 2017, he began uploading videos to this channel. By January 2018, Mr. Godlien had 1,000 subscribers to his YouTube channel. The purpose of TheGobOne was to post videos on various cryptocurrency topics that were of interest. Those who watched his YouTube videos would know about his Discord server. The Discord server created by Godlien was a platform for individuals to bounce ideas off each other and discuss token sales in a very general fashion and to subsequently potentially participate in various ICO pools¹. On or about February 8, 2018, a spreadsheet analysis of the SimplyVital token sale was posted on the Discord server which noted that it had been prepared under Mr. Godlien’s corporate entity logo of “TGO Capital Inc.”.
- (c) In February and March 2018, Mr. Godlien had formed two pools relating to SimplyVital (the “SVH Pools”) which ultimately included contributions from over 149 separate Ethereum public addresses. Mr. Godlien indicated to SimplyVital that he wanted to participate in the SimplyVital token pre-sale. Access to the SVH Pools was granted only to those who were committed to the Discord server for seven consecutive days.
- (d) Mr. Godlien received a SAFT agreement and a Private Placement Offering Memorandum (“PPM”) from SimplyVital which he signed and returned as part of the agreement with SimplyVital. Mr. Godlien did not post the SAFT for the purchasers in the ICO pools to read and assimilate.
- (e) Ultimately, Mr. Godlien’s SVH Pools had amassed over 2,172 ETH to contribute to SimplyVital’s pre-sale which was worth over approximately \$1.6 million USD, at that time.
- (g) By April 15, 2019, according to the SEC Settlement Agreement, SimplyVital had returned substantially all of the ETH and USD claimed by purchasers.

¹ As described in the SEC Settlement Agreement, pools (referring, in general, to pools formed in connection with so-called “initial coin offerings” or “ICO”s) were groups of purchasers that pooled their money to collectively satisfy a token or coin issuer’s investment minimum and to take advantage of discounts offered to pre-sale investors.

This would have included a return of funds to any purchasers from the SVH Pools who had submitted a claim for a refund.

3. In committing the acts described in paragraphs 2(a) through 2(g) inclusive the Respondent admits to contravening section 27(2)(a) of the Act.
4. The Respondent represents to the Executive Director, and Staff do not dispute, that:
 - a) Staff does not allege, and there has been no evidence of, dishonest conduct by the Respondent.
 - b) During Staff's investigation, the Respondent provided prompt and candid cooperation with Staff, responded to all requests for information from Staff, and produced documents to assist Staff in its inquiries.
 - c) The Respondent did not specifically or directly market to or target Saskatchewan residents.
 - d) The Respondent has had no prior experience in the capital markets.
 - e) The Respondent has no prior disciplinary record with any securities regulatory authority, including the Authority.
 - f) The Respondent received no profit or financial remuneration arising from the conduct described above, including from SimplyVital or the SVH Pools.
 - g) The Respondent agreed to reach an early resolution with Staff, prior to the commencement of proceedings in this matter.
5. The Respondent hereby waives his right to a hearing on the merits of the matters dealt with herein.
6. The Respondent hereby agrees that all of the facts set out in paragraph 1 concerning the findings of the SEC in the SEC Settlement Agreement and paragraph 2 above, are true, and that there are no material facts relating to these matters that are not set out in said paragraphs.
7. The Executive Director hereby agrees that, upon approval of this Settlement Agreement by the Authority, the allegations set out in the Statement of Allegations as against Mr. Godlien will be withdrawn.
8. The Respondent and the Executive Director hereby consent to the issuance of an order by the Authority, in substantially the form attached hereto as Appendix "A".
9. Based on the facts and undertakings contained herein, the Executive Director hereby agrees that the sanction set out in Appendix "A" is the only sanction the Executive Director will seek to have the Authority impose upon the Respondent with respect to the matters set out in the Statement of Allegations and the

Settlement Agreement, provided that nothing shall prohibit the Executive Director from considering or dealing with any matter not set out in the Statement of Allegations and/or the Settlement Agreement or any new complaint brought to the Executive Director's attention against the Respondent not relating to the matters investigated by Staff and those set out in the Statement of Allegations and/or the Settlement Agreement.

10. The terms of this Settlement Agreement shall be treated as confidential by the Respondent and the Executive Director, and may not be disclosed to any person except with the consent of the Executive Director, or as required by law, until such time as it is signed by all parties and approved by the Authority.
11. The Respondent hereby affirms that he has read and understood the terms of this Settlement Agreement and is signing it voluntarily.
12. This Settlement Agreement may be signed in one or more counterparts and shall together constitute a binding agreement.
13. An electronic or facsimile copy of any signature shall be as effective as an original signature.
14. This Settlement Agreement shall be governed by and construed in accordance with the laws of the province of Saskatchewan.
15. The Respondent hereby acknowledges that he has been given a reasonable opportunity to obtain independent legal advice with respect to this Settlement Agreement, and that he has obtained such independent legal advice and is satisfied with the same, prior to executing this Settlement Agreement.
16. This Settlement Agreement, and any referenced appendices or annexes hereto constitute the entire agreement between the Respondent and the Executive Director in connection with the allegations set forth in the Statement of Allegations.
17. If the Authority does not approve this Settlement Agreement or does not make the order attached as Appendix "A":
 - (i) this Settlement Agreement and all discussions and negotiations between Staff and the Respondent before the Settlement Hearing takes place will be without prejudice to Staff and the Respondent; and
 - (ii) Staff and the Respondent will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations contained in the Statement of Allegations. Any proceedings, remedies and challenges will not be affected by this Settlement Agreement, or by any discussions or negotiations relating to this Settlement Agreement.
18. By agreeing to the terms of this Settlement Agreement, the Respondent waives

any defences including any limitation period defences that may be available to them pursuant to section 136(2) of the Act.

- 19. The parties will keep the terms of this Settlement Agreement confidential until the Authority approves this Settlement Agreement, subject to the parties' need to make submissions at the public hearing on the application to approve this settlement.

IN WITNESS WHEREOF

Ryan Godlien has executed this Settlement Agreement at Moose Jaw,
 Saskatchewan, this 10th day of May, 2022.

SIGNED in the presence of:

DocuSigned by:
Usman Sheikh
 4A922FA3BD2E4F4...
 Name: Usman Sheikh

DocuSigned by:
Ryan Godlien
 059480F2200B498...
 Name: Ryan Godlien

The Executive Director, has executed this Settlement Agreement at Regina, Saskatchewan, this
13 day of April, 2022

SIGNED in the presence of:

[Signature]
 Name: Connor Smith
 Legal Counsel
 Securities Division
 Financial and Consumer
 Affairs Authority
 of Saskatchewan

[Signature]
 Dean Murrison
 Executive Director,
 Securities Division
 Financial and Consumer Affairs Authority
 of Saskatchewan