



Saskatchewan  
Financial Services  
Commission

**In the Matter of**  
***The Securities Act, 1988, S.S. 1988, c. S-42.2***

**and**

**In the Matter of**

**UFX Markets**  
**Mike Lane**  
**(the Respondents)**

**Temporary Order**  
**(Section 134)**

WHEREAS the Saskatchewan Financial Services Commission (the Commission) has delegated to the Director of the Securities Division (the Director) the power to make orders pursuant to section 134 of *The Securities Act, 1988, SS 1988, c. S-42.2* (the Act);

AND WHEREAS staff of the Commission has represented the following facts to the Director:

1. On February 22, 2012 the Director issued a temporary order pursuant to subsection 134(3) of the Act ( the February 2012 Temporary Order) against UFX Bank (the Bank), Mike Lane (Lane) and Amy Walsh (Walsh) ordering:
  - a. pursuant to subsection 134(3) and clause 134(1)(a) of the Act, that the exemptions in Saskatchewan securities laws do not apply to the Bank, Lane and Walsh (the 1<sup>st</sup> Respondents) up to and including March 8, 2012;
  - b. pursuant to subsection 134(3) and clause 134(1)(d) of the Act, that the 1<sup>st</sup> Respondents cease trading in all securities and exchange contracts up to and including March 8, 2012;
  - c. pursuant to subsection 134(3) and clause 134(1)(d.1) of the Act that the 1<sup>st</sup> Respondents cease acquiring securities and entering into exchange contracts up to and including March 8, 2012; and

- d. pursuant to subsection 134(3) and clause 134(1)(e) of the Act that the 1<sup>st</sup> Respondents cease giving advice respecting any securities, trades or exchange contracts up to and including March 8, 2012.
2. The Director issued the February 2012 Temporary Order because the 1<sup>st</sup> Respondents were trading in securities, namely silver, oil, gold, gas, sugar, corn and coffee contracts;
3. The 1<sup>st</sup> Respondents failed to appear before the Hearing Panel respecting the matters set out in the February 2012 Temporary Order, or provide any satisfactory information to the Commission;
4. On March 8, 2012, the Commission issued an extending order pursuant to subsection 134(3) of the Act (the March 2012 Extending Order) extending the February 2012 Temporary Order until February 22, 2013;
5. The February 2012 Temporary Order is still in effect against the 1<sup>st</sup> Respondents;
6. On March 25, 2012 Lane telephoned [REDACTED] ([REDACTED]), a resident of Saskatoon, Saskatchewan holding himself out as a broker of UFX Markets (the UFX) and was soliciting investments in securities;
7. [REDACTED] had invested in the securities of the Bank as set out in the February 2012 Temporary Order;
8. During the telephone conversation on March 25, 2012 Lane informed [REDACTED] who lost his investment in the Bank that he could assist [REDACTED] in transferring his investment from the Bank to UFX. Lane also told [REDACTED] that if he continues to invest in UFX there is better prospect of recovering his total investments;
9. UFX operates a Web site at [www.ufxmarkets.com](http://www.ufxmarkets.com). The UFX Web site is virtually identical to the Bank Web site with similar layout, wording, representative, company name, country of operation and tactics;
10. On its Website, UFX holds itself out to be a trading name of Reliantco Investments Limited, a Cyprus firm;
11. In carrying out the activities in paragraph 6 to 10 above, the Respondents traded in securities and exchange contracts in Saskatchewan;
12. UFX may continue trading in and advising on securities and exchange contracts in Saskatchewan;
13. The Respondents are in the business of trading in securities of UFX contrary to the Act;
14. None of the Respondents are registered under the Act to either trade in securities or exchange contracts or act as advisors in Saskatchewan, and they have therefore contravened the registration requirement in section 27 of the Act;

15. The Director has not issued a receipt for a prospectus for the securities being traded, and the Respondents have therefore contravened the prospectus requirement in section 58 of the Act;
16. The Respondents failed to comply with the February 2012 Temporary Order and have therefore contravened section 55.14 of the Act;

AND WHEREAS the Director is of the opinion that it is in the public interest to make this order;

AND WHEREAS the Director is of the opinion that the length of time required for a hearing would be prejudicial to the public interest;

THE DIRECTOR HEREBY ORDERS:

1. Pursuant to subsection 134(3) and clause 134(1)(a) of the Act that the exemptions in Saskatchewan securities laws do not apply to the Respondents up to and including April 25, 2012;
2. Pursuant to subsection 134(3) and clause 134(1)(d) of the Act that the Respondents cease trading in all securities and exchange contracts up to and including April 25, 2012;
3. Pursuant to subsection 134(3) and clause 134(1)(d.1) of the Act that the Respondents cease acquiring securities and entering into exchange contracts up to and including April 25, 2012
4. Pursuant to subsection 134(3) and clause 134(1)(e) of the Act that the Respondents cease giving advice respecting any securities, trades or exchange contracts up to and including April 25, 2012;

AND TAKE NOTICE THAT this Order may be extended for such period as the Commission considers necessary.

DATED at Regina, Saskatchewan on April 11, 2012.

A solid black rectangular box used to redact the signature of the Director.

Barbara Shourounis  
Director, Securities Division