

## IN THE MATTER OF THE SECURITIES ACT, 1988, S.S. 1988, c. S-42.2

## AND

IN THE MATTER OF

ALENA MARIE PASTUCH
TEAMWORX PRODUCTIONS LTD.
IDENDEGO INC.
101114386 SASKATCHEWAN LTD.
101115379 SASKATCHEWAN LTD.
CRYPTGUARD LTD.

## Dear Ms. Pastuch and Mr. Udembga:

The Saskatchewan Financial Services Commission appointed Commissioner Peter Carton, Commissioner Gordon Hamilton, and Commissioner and Vice Chairperson Paul Robinson as the Hearing Panel to hear the above noted matter as provided for in the Securities Act, 1988.

This Letter will address the Respondents' request for an indefinite adjournment on the basis of a medical note submitted by the Respondent's physician on August 17, 2011.

## The Request

On July 11, 2011, one of the Respondents requested an adjournment of a scheduled case management meeting scheduled for July 13, 2011, on the basis of undisclosed medical reasons. The Hearing Panel granted the adjournment request. The formal hearing into the allegations against the Respondents had been scheduled to proceed during the week of September 12, 2011, and the case management meeting was proposed after a conference call clearly conveyed to the Hearing Panel that the

Respondents were having difficulty in organizing their materials. On August 17, 2011, a second medical note was submitted indicating that one of the Respondents would be indefinitely unable to attend "meetings and hearings of any sort." The medical note further indicated that "We will notify you once she is able to attend meetings/hearings." In both instances, the Securities Division legal counsel either opposed the request for an adjournment or reluctantly indicated his understanding that medical reasons would be a legitimate basis for an adjournment.

A review of the file has confirmed that the Hearing Panel has previously granted a significant number of adjournment requests to the Respondents since the first attempt to organize a hearing date in 2010. The adjournment of the hearings (and the calling of a case management meeting) scheduled in July 2011 was to assist the Respondents in preparing their material, given that the Respondents continue to be unrepresented by legal counsel.

Having received the August 17, 2011 medical note, the Hearing Panel adjourned the September hearing dates without setting a date. The Hearing Panel wanted to obtain additional medical details so that it could determine the time frame for rescheduling the hearings, and consider any medical conditions during the conduct of the hearing proper.

On September 12, 2011, the Hearing Panel wrote to the physician who had written the medical notes, requesting specific and additional medical information. Given the previous medical note, which precluded contacting the physician's patient directly, the Hearing Panel presumed that the physician would contact his patient to seek the necessary consent and advise the Hearing Panel accordingly. Instead, the physician recommended in a letter dated September 20, 2011 that the Hearing Panel contact his patient, notwithstanding that his medical note prohibited such communications for presumed health reasons. The Hearing Panel accepted his recommendation and contacted his patient directly asking that the Respondent grant consent to the release of medical information to the Hearing Panel.

On October 7, 2011, the Hearing Panel received a response to its request for the consent to release medical information from one of the Respondents. The response was a conditional consent, provided that certain preconditions were performed before any medical information was obtained. The preconditions included a requirement that all three members of the Hearing Panel (as well as certain investigative and

-3-

legal staff members of the Saskatchewan Financial Services Commission) execute sworn statements

"signed by a judge" that were carefully set out in eight distinct paragraphs. As an example, two of the

eight paragraphs required a sworn statement that none of the Hearing Panel members have "breached,

broke, protected those who may have breached, harbored illicit, unethical or illegal practices or turned a

blind eye to any other SFSC member who may have breached or broke ANY fragment of either the

Provincial or Federal Privacy Acts or any other illegal or unethical actions," and that none of the Hearing

Panel have "EVER even attempted to down-play or cover up any unethical or illegal behavior by

ANYONE associated with or who works with/for the SFSC with respect to Ms. Pastuch's case, with

particular emphasis on privacy issues, criminal code issues and handling of evidence for this case."

The preconditions could not be fulfilled, because the Hearing Panel members do not have the

knowledge necessary to swear such statements. In any event, the attempt to require the Hearing Panel to

execute such sworn statements was unreasonable, and offensive to the statutory process established by the

Saskatchewan legislature.

Accordingly, the Hearing Panel has refused to grant the indefinite adjournment requested by the

Respondents. Therefore, the formal hearings into this matter will now commence on December 12, 2011.

The Hearing Panel will not entertain further requests for an adjournment from the Respondents. The

Hearing Panel remains willing to assist the Respondents through the scheduling and conduct of a case

management meeting to be held not later than November 10, 2011, should the Respondents make the

request for such a meeting.

This is a unanimous decision of the Hearing Panel.

DATED at Saskatoon, Saskatchewan, on October 19, 2011.

Gordon D. Hamilton

Commissioner