

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

and

**In the Matter of
ASBC Financial Planning Pty Ltd
(a.k.a. ASBC Financial, or ASBCFinancial)
and
Walter Turner**

**STATEMENT OF ALLEGATIONS
OF STAFF OF FINANCIAL AND CONSUMER AFFAIRS
AUTHORITY OF SASKATCHEWAN**

Staff of Financial and Consumer Affairs Authority of Saskatchewan (Staff of FCAA) make the following allegations:

The Respondents

1. The Respondent, ASBC Financial Planning Pty Ltd (also known as ASBC Financial or ASBCFinancial) ("ASBC"), was, from in or around December 2006 to in or around June 2016, an Australian Private Company, limited by shares, registered with the Australian Business Register, with a registered office purportedly located in [REDACTED], Australia. Since in or around July 2016 to present, ASBC has been an entity of unknown status or whereabouts.
2. The Respondent, Walter Turner ("Turner") is an individual of unknown residence or whereabouts. At all material times, Turner held himself out as an "Account Manager" with ASBC.

Contraventions of subsection 27(2) of *The Securities Act, 1988* (the Act)

3. From time to time from in or around December 2017 to in or around May 2018, ASBC and Turner (collectively, the "Respondents") acted as dealers and advisers as defined in the Act, by engaging in the businesses of trading in securities or derivatives, and of advising another as to the investing in or the buying or selling of securities or derivatives in Saskatchewan.

4. The details of these activities include, but are not limited to, the following:
- a. From in or around December 2017 to in or around July 2018 (the Relevant Time) ASBC owned or maintained a website at www.asbcfinancial.com (the Website);
 - b. The Website provided information with respect to services available through ASBC, which included “expert financial advice and wealth management”, through fully managed accounts;
 - c. The Website purported to offer its clients the ability to invest in various securities and derivatives, namely, bonds, mutual funds, cryptocurrencies, forex, and stocks, within a fully managed account;
 - d. ASBC offered users of the Website, upon signing up for an online account, the ability to log-in and monitor the value of the account or the assets purported to be held on behalf of the holder of the account;
 - e. Throughout the Relevant Time, Turner was listed on the Website as being an account manager for ASBC;
 - f. From time to time from in or around December 2017 to in or around May 2018, ASBC contacted Investor 1, a resident of Saskatchewan, via email and advised her as to the investing in or the buying of various cryptocurrencies and shares in various renewable energy entities;
 - g. From time to time during the Relevant Time, through email, ASBC provided Investor 1 with banking information and instructions to send funds to specified individuals and bank accounts, for the purposes of either funding her investment account or funding specific purchases of shares in specified companies;
 - h. Investor 1 sent the following sums of money on the following dates, as instructed by ASBC, for the purpose of funding various trades in securities or derivatives on her behalf, through her account with ASBC:
 - i. On or about December 7, 2017, the amount of \$98,000.00 CAD, through a wire transfer, payable to the benefit of [REDACTED], to a bank located in Fresno, California;
 - ii. On or about January 16, 2018, the amount of \$39,177.80 CAD, through a wire transfer, payable to the benefit of [REDACTED], to a bank located in Fresno, California; and
 - iii. On or about February 2, 2018, the amount of \$53,926.30 CAD, through a wire transfer, payable to the benefit of [REDACTED], to a bank located in Fresno, California;

- i. ASBC directed Investor 1 to the Website, and provided Investor 1 with log-in information so that she could log-in and view the securities and derivatives held in her account, along with their stated values;
 - j. From time to time during the Relevant Time, Investor 1 visited the Website and logged in to her account. The information provided by ASBC on the Website with respect to Investor 1's account, indicated that she held investments in three separate cryptocurrencies, namely, Bitcoin, Litecoin, and Monero, and also in gold;
 - k. Investor 1 did not provide any instructions with respect to what purchases or trades were to be made with the funds held in her account with ASBC, instead choosing to allow ASBC full discretion over her account. Investor 1's ability to log-in to her account on the Website was strictly for the purpose of monitoring the values of her assets;
 - l. On at least one occasion during the Relevant Time, Turner, on behalf of ASBC, contacted Investor 1 via email and encouraged her to add more funds to her trading account with ASBC, advising that it was a "good time to grow"; and
 - m. In one of the requests for funds, ASBC indicated that the requested funds were to be used for investments in three specific renewable energy entities, whose shares were traded on various exchanges.
5. In carrying out the acts indicated in paragraph 4, above, the Respondents engaged in actions, or held themselves out as engaging in actions in furtherance of trades in securities or derivatives with or on behalf of Investor 1, and as such, acted as 'dealers' as defined in the Act.
 6. Neither of the Respondents has ever been registered as a 'dealer' as required by the Act, and therefore, the Respondents have contravened clause 27(2)(a) of the Act.
 7. In carrying out the acts indicated in paragraph 4, above, the Respondents engaged in the business of advising another as to the investing in or the buying or selling of securities or derivatives in Saskatchewan, and as such, acted as 'advisers' as defined in the Act.
 8. Neither of the Respondents has ever been registered as an 'adviser' as required by the Act, and therefore, the Respondents have contravened clause 27(2)(b) of the Act.
 9. Based on the above, Staff of FCAA ask the hearing panel to consider whether it is in the public interest to make the following orders:
 - a. Pursuant to clause 134(1)(a) of the Act, all of the exemptions in Saskatchewan securities laws do not apply to the Respondents, permanently;
 - b. Pursuant to subsection 134(1)(d) of the Act, the Respondents shall cease trading

in securities and derivatives in Saskatchewan, permanently;

- c. Pursuant to subsection 134(1)(d.1) of the Act, the Respondents shall cease acquiring securities or derivatives for and on behalf of residents of Saskatchewan, permanently;
- d. Pursuant to clause 134(1)(e) of the Act, the Respondents shall cease giving advice respecting any securities, trades or derivatives, permanently;
- e. Pursuant to section 135.1 of the Act, the Respondents shall pay an administrative penalty to the Financial and Consumer Affairs Authority of Saskatchewan, in the amount of \$35,000; and
- f. Pursuant to section 161 of the Act, the Respondents shall pay the costs of or relating to this hearing in this matter.

DATED at Regina, Saskatchewan, this 12 day of August, 2019.




Dean Murrison
Director,
Securities Division
Financial and Consumer Affairs Authority of
Saskatchewan