



**In the Matter of**

*The Securities Act, 1988, S.S. 1988, C. S-42.2*

**and**

**In the Matter of  
Nudawn Enterprises Ltd.  
Ronald Jerry Fast  
Danielle Fast-Carlson**

**Settlement Agreement**

***Introduction***

1. The Director of the Securities Division (the Director) of Saskatchewan Financial Services Commission (the Commission) issued a Notice of Hearing dated December 7, 2010 (the Notice of Hearing) against Nudawn Enterprises Ltd., (Nudawn) Ronald Jerry Fast (Fast) and Danielle Fast-Carlson (Fast-Carlson) (Collectively the Respondents) in which it was alleged that the Respondents engaged in specified activities that were contrary to the public interest and in contravention of *The Securities Act, 1988* (the Act).
2. This Settlement Agreement has been reached between the Respondents and the Director to dispose of the matters set out in the Notice of Hearing.
3. The Respondents and the Director acknowledge that this Settlement Agreement is subject to the approval of the Commission and, if approved by the Commission, it will be published on the Commission's website.
4. The terms of this Settlement Agreement shall be treated as confidential by the Director and the Respondents until it is signed by them and approved by the Commission and may not be disclosed to any person except with the consent of the Director and the Respondents or as required by law.
5. The Respondents and the Director agree that paragraph 30 of this Settlement Agreement represents undertakings by the Respondents to the Director under section 55.15 of the Act.

***The Respondents***

6. Nudawn was incorporated in Saskatchewan on July 9, 2004 as 101059276 Saskatchewan Ltd. and changed its name to Nudawn Enterprises Ltd. on April 6, 2006.
7. Nudawn's registered head office is in Saskatoon, Saskatchewan.
8. Nudawn's stated business is to purchase real estate for rental purposes.
9. Fast resides in Saskatoon, Saskatchewan. Fast became a director of Nudawn in March 14, 2006, and he was the directing mind of Nudawn until March 16, 2009.
10. Fast made an assignment in Bankruptcy on May 25, 2009.
11. Fast-Carlson resides in Saskatoon, Saskatchewan. She is Fast's daughter and became a director of Nudawn on March 16, 2009.
12. Fast-Carlson manages the day to day activities of Nudawn.

***Related companies***

13. Marathon Leasing Corporation (Marathon) was incorporated in Saskatchewan on July 21, 1980. Beginning in 1986, Fast was the sole officer and director of Marathon and the directing mind of Marathon.
14. Marathon's head office was in Saskatoon, Saskatchewan and its stated business was leasing.
15. Marathon filed a proposal under the *Bankruptcy and Insolvency Act* (Canada) on August 27, 2008. When the proposal was rejected by Marathon's creditors, Marathon was deemed to be assigned into bankruptcy on October 9, 2008.
16. Marathon was struck from the corporate registry in December 2009.
17. Carlton Motors Ltd. (Carlton) was incorporated in Saskatchewan on March 12, 1986. Fast was the sole officer, director and directing mind of Carlton.
18. Carlton's registered head office was in Saskatoon, Saskatchewan, and its stated business was automotive repair and service.
19. Carlton was struck from the corporate registry on December 31, 2009.
20. R. J. F. Holdings Ltd. was incorporated in Saskatchewan in December 1982 and changed its name to R. J. Management Consultants Incorporated (Fast Management) in May 1987.

21. The head office of Fast Management was in Saskatoon, Saskatchewan, and its stated business was business consulting, accounting and management.
22. Fast was the president, director and directing mind of Fast Management.
23. Fast Management was struck from the corporate registry in May 2009.

***Distribution of Nudawn securities***

24. From May 2006 to August 2008 Fast and Nudawn traded in securities of Nudawn to investors in Saskatchewan, British Columbia and Ontario and raised a total of approximately \$1,220,000.00.

***Contravention of registration and prospectus requirements in sections 27 and 58***

25. Fast and Nudawn at certain times failed to comply with the registration requirement in section 27 and the prospectus requirement in section 58 of the Act when they traded in securities of Nudawn.

***False and misleading statements-contravention of section 55.11***

26. In a bid to sell securities of Nudawn, Fast breached Section 55.11 of the Act in that facts required to be stated pursuant to Section 55.11(1)(a)(ii) were not provided to investors.

***Transfers to related companies***

27. During the period from June 2006 to January 2008 Nudawn transferred a total amount of \$650,000 to Marathon, Carlton and Fast Management.

***Nudawn's Assets***

28. Nudawn's assets consist of the following:
  - (a) 201 Avenue C South, Saskatoon, Saskatchewan, which is legally described as Surface Parcel #120285963 Reference Land Description: Lot 41 Blk/Par 14 Plan No 00SA15145 extension 0 as described on Certificate of Title 00SA15145EU (201 Ave C South). 201 Ave C south has been sold for a purchase price of \$325,000.00. The net proceeds after interest paid by the purchaser, tax adjustment, real estate commission and legal fees and disbursements of sale, and the sum paid pursuant to the Court of Queen's Bench Order dated September 29, 2011 is \$272,643.44.
  - (b) 1002- 22<sup>nd</sup> Street West, Saskatoon, Saskatchewan which is legally described as Surface Parcel #120304831 Reference Land Description: Lot 1 Blkr/Par 3 Plan No K4652 Extension 0 As described on Certificate of

Title 99SA17849 and Surface Parcel #119867394 Reference Land  
Description: Lot 2 Blk/Par 3 Plan No K4652 Extension 0 As described on  
Certificate of Title 99SA17849 (1002-22<sup>nd</sup> Street) . 1002-22<sup>nd</sup> Street is  
currently listed for sale.

(c) Other assets of Nudawn are as follows:

- (i) Cash: \$8,368.83;
- (ii) Prepaid expenses:\$500.00;
- (iii) Due from [REDACTED] (pursuant to assumption of debt to Nudawn  
owed by [REDACTED]): \$40,733.00;
- (iv) Shares in 101124345 Saskatchewan Ltd.: \$30,015.00

***Nudawn's Investors***

29. All of the current shareholders in Nudawn are:

Name	# of Shares	Class of Shares
(a) [REDACTED]	100	C
(b) [REDACTED]	50	A
	1000	B
	200	C
(c) [REDACTED]	200	C
(d) [REDACTED]	20	C
(e) [REDACTED]	25	C
(f) [REDACTED]	100	C
(g) [REDACTED]	300	C
(h) [REDACTED]	100	C
(i) [REDACTED]	25	C
(j) Danielle Fast-Carlson	50	A
	1000	B

***Undertakings by the Respondents***

30. The Respondents hereby undertakes, agrees and consents, effective the date of execution of this Settlement Agreement:

- (a) That all of the facts set out at paragraphs 1-29 above are true;
- (b) That there are no material facts related to these matters that are not set out in paragraphs 1-29 above;
- (c) To waive their right to a hearing or appeal in this matter;
- (d) To distribute the net proceeds from the sale of Ave C South *pro rata* among the Class C shareholders of Nudawn;
- (e) To distribute the net proceeds from the sale of 1002 22<sup>nd</sup> Street West Saskatoon *pro rata* among the Class C shareholders of Nudawn;
- (f) To distribute any remaining assets and monies of Nudawn after receipt thereof by Nudawn and after payment of all legal, accounting and other expenses *pro rata among* the Class C shareholders of Nudawn;
- (g) To dispose of this proceeding by agreement without a hearing pursuant to section 135.3 of the Act; and
- (h) To the issuance of an order by the Commission in substantially the form attached hereto as Appendix 'A' ordering as follows:
  - (i) The exemptions under Saskatchewan securities laws pursuant to clause 134(1)(a) of the Act do not apply to Nudawn and Fast;
  - (ii) Nudawn and Fast cease trading in any securities or exchange contracts with residents of Saskatchewan except in compliance with the Act;
  - (iii) Nudawn and Fast cease acquiring securities or exchange contracts for and on behalf of residents of Saskatchewan except in compliance with the Act; and
  - (iv) Nudawn and Fast cease advising residents of Saskatchewan respecting securities or exchange contracts except in compliance with the Act.

***Nudawn's Agreement Conditional***

31. Nudawn's agreement to this Settlement Agreement is conditional upon the completion of the settlement as set out in the Minutes of Settlement between [REDACTED] and Nudawn in the Court of Queen's Bench Action No. 678 of 2009 Judicial centre of Saskatoon (with the exception of paragraph 6 thereof).

**Director's Agreement**

32. The Director hereby agrees that sanctions set out in subparagraph 30 (h) (i) to (iv) above are the only sanctions the Director will seek to have the Commission impose upon the Respondents with respect to the matters set out in the Settlement Agreement or in the Notice of Hearing, provided that nothing herein shall prohibit the Director from considering and dealing with any matter not set out in this Settlement Agreement or in the Notice of Hearing or any new complaint which does not pertain to the said matters brought to the Director's attention against the Respondents.

**Miscellaneous**

33. The parties agree that the payment of an administrative penalty by Nudawn is not feasible in this case because the remaining assets of Nudawn would be distributed to current shareholders of Nudawn.

34. The parties agree that the payment of an administrative penalty by Fast is not feasible in this case because Fast made an assignment in Bankruptcy on May 25, 2009.

**Execution of Settlement Agreement**

35. This Settlement Agreement may be signed in one or more counterparts and together shall constitute a binding agreement.

36. A facsimile copy of any signature shall be effective as an original signature.

**IN WITNESS WHEREOF**

Nudawn has executed this Agreement on this 28<sup>th</sup> day of February, 2012

SIGNED in the presence of: )  
)  
)  
\_\_\_\_\_  
"R.F. Thornton"  
R. F. Thornton )  
\_\_\_\_\_  
"Diana Fast"  
Diana Fast, President  
Nudawn Enterprises Ltd.

Fast has executed this Agreement on this 24<sup>th</sup> day of February, 2012

SIGNED in the presence of: )  
)  
)  
\_\_\_\_\_  
"Jay Watson"  
Jay Watson )  
\_\_\_\_\_  
"Ronald Jerry Fast"  
Ronald Jerry Fast

Fast-Carlson has executed this Agreement on this 7<sup>th</sup> day of March, 2012

SIGNED in the presence of: )  
)  
)  
“M. Vanstone” )  
M. Vanstone

“Danielle Fast-Carlson”  
Danielle Fast-Carlson

The Director has executed this Agreement on this 7<sup>th</sup> day of March, 2012.

SIGNED in the presence of: )  
)  
)  
“Sonne Udemgba” )  
Sonne Udemgba

“Barbara Shourounis”  
Barbara L. Shourounis, Director  
Securities Division

## Appendix A

In the Matter of  
*The Securities Act, 1988, S.S. 1988, C. S-42.2 (the Act)*

and

In the Matter of  
**Nudawn Enterprises Ltd.**  
**Ronald Jerry Fast**  
**Danielle Fast-Carlson**

**Order**

**(Pursuant to Sections 134, 135.1, and 135.3 of the Act)**

WHEREAS Nudawn Enterprises Ltd., (Nudawn), Ronald Jerry Fast (Fast) and Danielle Fast-Carlson (Fast-Carlson) (Collectively the Respondents) and the Director of the Securities Division (the Director) of the Saskatchewan Financial Services Commission (the Commission) have entered into a settlement agreement dated \_\_\_\_\_, 2012 (the Settlement Agreement), a copy of which is attached as Schedule 'B';

AND WHEREAS an application has been received by the Commission from the staff of the Commission for an order (the Order):

1. Pursuant to section 134 of *The Securities Act, 1988, SS 1988, c. S-42.2 (the Act)* that:
  - (a) The exemptions under Saskatchewan securities laws do not apply to Nudawn and Fast;
  - (b) Nudawn and Fast cease trading in any securities or exchange contracts with residents of Saskatchewan except in compliance with the Act;
  - (c) Nudawn and Fast cease acquiring securities or exchange contracts for and on behalf of residents of Saskatchewan except in compliance with the Act;  
and
  - (d) Nudawn and Fast cease advising residents of Saskatchewan respecting securities or exchange contracts except in compliance with the Act;

AND WHEREAS proceedings may be disposed of by the Commission by agreement without a hearing pursuant to section 135.3 of the Act;

AND WHEREAS the Commission has approved the Agreement;



AND WHEREAS the Respondents have waived any right to a hearing or appeal and has consented to the issuance of this Order;

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

THE COMMISSION HEREBY ORDERS:

1. Pursuant to section 134 of the Act that:
  - (a) The exemptions in Saskatchewan securities laws do not apply to Nudawn and Fast;
  - (b) Nudawn and Fast cease trading in any securities or exchange contracts with residents of Saskatchewan except in compliance with the Act;
  - (c) Nudawn and Fast cease acquiring securities or exchange contracts for and on behalf of residents of Saskatchewan except in compliance with the Act; and
  - (d) Nudawn and Fast cease advising residents of Saskatchewan respecting securities or exchange contracts except in compliance with the Act.

DATED at Regina, Saskatchewan, on ....., 2012

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Commissioner  
Saskatchewan Financial Services Commission