

ALBERTA SECURITIES COMMISSION

NOTICE OF HEARING

Citation: CASSAVANT, Urban, Re, 2010 ABASC 82

Date: 20100222

Docket: E/04567/ENF-005694

Securities Act, R.S.A. 2000, c. S-4, as amended (*Act*)

To: Urban Casavant (the Respondent)

NOTICE:

An application is being made to the Alberta Securities Commission (**Commission**) by Staff Counsel (**Staff**), for an Order pursuant to section 198(1.1) of the *Act*, that:

- (i) under section 198(1)(b) of the *Act*, the Respondent permanently cease trading in or purchasing any securities or exchange contracts;
- (ii) under section 198(1)(c) of the *Act*, the Respondent permanently be denied all of the exemptions contained in the Alberta securities laws; and
- (iii) under sections 198(1)(d) and (e) of the *Act*, the Respondent resign all positions that he holds as a director or officer of any issuer and that he be permanently prohibited from becoming or acting as a director or officer or as both a director and officer of any issuer.

GROUND FOR APPLICATION:

In support of the application, Staff will rely on grounds that include the following:

- 1) the Respondent is subject to a judgment rendered by the United States District Court, District of Nevada, which found him to have contravened laws respecting trading in securities of CMKM Diamonds, Inc., and imposed conditions, restrictions or requirements on the Respondent including the following:
 - (i) that, pursuant to Section 21(d)(2) of the Exchange Act, 15 U.S.C. ¶78u(d)(2), and Section 20(e) of the Securities Act, 15 U.S.C. ¶77t(e), [the Respondent] is prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act, 15 U.S.C. ¶78l, or that is required to file reports pursuant to Section 15 (d) of the Exchange Act, 15 U.S.C. ¶78o(d); and

- (ii) that [the Respondent] is permanently barred from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock;
- 2) CMKM Diamonds, Inc.:
- (i) has never been registered to trade securities in Alberta,
 - (ii) has never been a reporting issuer in Alberta,
 - (iii) has never filed with the Commission, and the Commission has never issued a receipt for, a preliminary prospectus or prospectus with respect to the securities of CMKM, and
 - (iv) is subject to a permanent cease trade and denial of exemptions Order issued by the Commission on May 13, 2008;
- 3) at all material times, the Respondent was the C.E.O. and sole active director of CMKM Diamonds, Inc.;
- 4) during the material times, CMKM Diamonds, Inc. sold and issued securities to several Alberta investors;
- 5) the Respondent has never been registered in any capacity with the Commission; and
- 6) it is in the public interest for the Commission to issue the Order sought by Staff, based on the judgment rendered by the United States District Court, District of Nevada.

EVIDENCE IN SUPPORT OF APPLICATION:

In support of this application, Staff is relying upon the Affidavit of Tyler Hynes, Assistant Securities Investigator for the Commission, and the exhibits referred to in that Affidavit. A copy of the Affidavit with exhibits accompanies this application.

PROCEDURE:

The Respondent has an opportunity to be heard in this application, and may do so with or without legal counsel.

If the Respondent wishes to make oral submissions or present evidence (or both) to the Commission, he must within 21 days of the date of this Notice contact Jayne Lewis, Registrar of the Commission, by telephone at 403.297.4277, e-mail at Registrar@asc.ca, or facsimile at 403.297.4486, following which a hearing date and time will be set.

If the Respondent wishes to make written submissions, he must within 28 days of the date of this Notice deliver the submissions, together with any supporting materials, to Jayne Lewis, c/o Alberta Securities Commission, 4th Floor, 300 - 5 Avenue S.W., Calgary, Alberta, T2P 3C4.

The Respondent may choose to make both oral and written submissions, with or without evidence, in which case he must comply with each of the above time limits.

The Commission will consider the application on or after 30 days from the date of this Notice and may make an order against the Respondent without further notice if he fails to respond as directed above.

Calgary, Alberta, February 22,) ALBERTA SECURITIES COMMISSION
2010.)
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) “Original Signed By”
) _____
) John P. Petch
) Director, Enforcement

TO: Urban Casavant