

ENFORCEMENT SUMMARY

In the Matter of *The Securities Act* and in the Matter of Everett Conrad ("CONRAD")

Charges:

On April 4, 2007, CONRAD plead guilty before Judge Collerman of the Provincial Court of Manitoba to fourteen (14) counts of trading without registration and ten (10) counts of trading without prospectus contrary to *The Securities Act* of Manitoba ("Act").

Summary:

During the period of December 1, 2001 to December 31st, 2002, CONRAD traded securities of 3948731 Canada Inc. also known as ECO AGE METALS & MINERALS INC. to ten (10) Manitoba investors in the total amount of \$151,300. Most of the investors were approached by CONRAD, who gave them a sales pitch as to the company's activities and investing in the company. The company's anticipated business activity was explained as processing flue fly ash, using a system called electro-kinetic converter process, in order to separate out the minerals to be sold. CONRAD distributed a written business plan to the investors. A person by the name of Ron MacLeod, described as the company founder, was also described as having had perfected a small electro-kinetic converter. On March 6, 2002, MacLeod passed away. Some of the trading activities of CONRAD continued after the demise of MacLeod, to the extent of \$96,300 out of the \$151,300 total. CONRAD was not, and never had been, registered to trade in securities in the Province of Manitoba. No prospectus, or preliminary prospectus, had been filed with The Manitoba Securities Commission, nor had any exemption been applied for or granted.

During the period in question, CONRAD was a licensed life insurance agent. Four of the investors were clients who had previous investment or life insurance dealings with CONRAD. All of the Biallys were related to CONRAD through marriage.

From February to August of 2002 inclusive, CONRAD collected from the Kostelnicks \$58,800 for shares in 3948731 Canada Inc. None of these monies went to the company. A share certificate dated March 5, 2002 was issued from 3948731 Canada Inc. to Fern Kostelnick for the first transaction, namely 40,000 shares for consideration of \$10,000. Thereafter, Fern Kostelnick questioned CONRAD as to where were the share certificates for the remaining Kostelnick monies, representing a further 105,500 shares. On December 17, 2002, CONRAD completed the back portion of a share certificate, said certificate being in his name for 250,000 shares of 3948731 Canada Inc., showing that 105,500 of the shares were sold, assigned and transferred to Fern Kostelnick.

ECO AGE METALS & MINERALS INC. was dissolved on November 2, 2005. None of the monies were returned to the investors.

Sentence:

On April 4, 2007, the court accepted a joint recommendation as to sentence and imposed a sentence of a period of incarceration of six (6) months, followed by supervised probation for twelve (12) months with conditions including restitution in the amount of \$35,000.

The Manitoba Securities Commission
October 22, 2007.