

2009 BCSECCOM 513

Settlement Agreement

Renee Marie Helmig aka Nisha Helmig

Securities Act, RSBC 1996, c. 418

¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director) and Renee Marie Helmig aka Nisha Helmig (Helmig) agree as follows:

Agreed Statement of Facts

1. Helmig is a resident of North Vancouver, British Columbia and has never been registered under the *Securities Act*, RSBC 1996, c. 418 (the Act).
2. Between November 2005 and December 2006, Helmig solicited investors to enter into investment contracts (the PIF Securities) with Kerry O'Neill (O'Neill), who was the principal of an unincorporated investment scheme called the Pay It Forward Program (the PIF Program).
3. In the PIF Program, O'Neill was to use investors' money to buy and sell distressed merchandise. Investors were to receive back their principal plus a portion of the profits that O'Neill would earn buying and selling distressed merchandise.
4. No prospectus was ever filed for the PIF Securities and none of the exemptions under the Act applied to their distribution.
5. Relying on false information provided by O'Neill, Helmig made the following representations to investors and potential investors to convince them to invest with O'Neill:
 - (a) O'Neill would use the principal amount of each investment for the sole purpose of buying and selling new and used merchandise;
 - (b) Investors would earn returns of 100% to 300% on their investments every 90 days; and
 - (c) Payments to investors would be comprised of their original investment capital plus a portion of the profits that O'Neill earned from buying and selling distressed merchandise.

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6. The above representations were false or misleading because:
 - (d) O'Neill used only about \$1.08 million of investors' money to purchase merchandise. O'Neill used the rest of the funds to pay amounts due to other investors, for his personal expenses, and for other investment opportunities.
 - (b) Most investors did not earn any return on their investments, but rather lost some or all of their investment capital.
 - (c) The payments O'Neill made to investors did not come from profits he made from buying and selling distressed merchandise. Instead, O'Neill paid investors with other investors' funds.
7. Helmig did not conduct any due diligence inquiries into O'Neill or his business endeavors.
8. As a result of Helmig and O'Neill's conduct, 943 investors invested approximately \$9,630,000 with O'Neill. Of these investors, 590 are British Columbia residents who gave O'Neill a total of approximately \$4,317,752.

Misconduct

9. In soliciting investors to invest in the Securities, Helmig:
 - (a) traded in securities without being registered under the Act, contrary to section 34(1) of the Act;
 - (b) distributed securities without having filed a prospectus, contrary to section 61 of the Act; and
 - (c) made statements that she ought to have known were misrepresentations, contrary to section 50(1)(d) of the Act.

Public Interest

10. Helmig acted contrary to the public interest by engaging in the conduct set out above.

Inability to Pay

11. Helmig has been unemployed since the PIF Program ended. She has no savings or other assets of value and is presently living on borrowed money to pay her basic living expenses. Helmig is 60 years of age and suffers from a serious physical disability and consequently her prospects of future

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employment are limited. Helmig has provided the Executive Director with sufficient proof that her liabilities exceed her assets.

12. There is no reasonable prospect of Helmig paying a fine of \$100,000 that would otherwise be assessed in the public interest for the misconduct described in this Settlement Agreement.

Order

- ¶ 2 The Executive Director will issue an order (the Order) that:
1. under section 161(1)(a) of the Act, Helmig comply fully with the Act, the Securities Rules, and any applicable regulations;
 2. under section 161(1)(b) of the Act Helmig will cease trading in and be prohibited from purchasing any securities or exchange contracts for 10 years from the date of this Order, except that she may trade in one account in her own name through a registered representative if she provides a copy of this Order to the registered representative before any trade;
 3. under section 161(1)(d)(i) and (ii) of the Act, Helmig resign any position she may hold as a director or officer of an issuer, registrant or investment fund manager and be prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for a period of 10 years from the date of this Order;
 4. under section 161(1)(d)(iv) of the Act, Helmig be prohibited from acting in a management or consultative capacity in connection with activities in the securities market for a period of 10 years from the date of this Order; and
 5. under section 161(1)(d)(v) of the Act, Helmig be prohibited from engaging in investor relations activities for a period of 10 years from the date of this Order.

Consent to Reciprocal Orders

- ¶ 3 Any securities regulator in Canada may rely on the facts admitted in this Settlement Agreement solely for the purpose of making an order similar to the one contemplated above.

Waiver

- ¶ 4 Helmig waives any right she may have, under the Act or otherwise, to a hearing, hearing and review, judicial review or appeal related to, in connection with, or incidental to this settlement.

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¶ 5 **Counterpart**

This Settlement Agreement may be executed in counterpart or by facsimile execution and all such counterparts of executed copies or faxed copies shall be read or construed together as if they formed one originally executed document.

¶ 6 August 17, 2009

“Renee Marie Helmig”

¶ 7 Renee Marie (Nisha) Helmig

“Michele Cook”)
Witness Signature)
Michele Cook)
Witness Name (please print))
701 West Georgia Street)
Vancouver, BC V7Y 1L2)
Address)
Legal Secretary)
Occupation)

¶ 8 August 18, 2009

“Brenda Leong”

¶ 9 Brenda M. Leong
Executive Director