

IN THE MATTER OF
THE *SECURITIES ACT*, R.S.N.S. 1989, CHAPTER 418, AS AMENDED ("Act")

- and -

IN THE MATTER OF STRATUS OFFSHORE (also operating as Stratus Financial Group International), MAGNUS TORGERSON, JOHN WESTBROOK, MARK STONE AND TEDDY STONE
(collectively the "Respondents")

MEMORANDUM OF PRE-HEARING CONFERENCE

This Memorandum of Pre-Hearing Conference is prepared pursuant to part 9.8 of Nova Scotia Securities Commission Rule 15-501 General Rules of Practice and Procedure ("Rule 15-501").

The following agreements, undertakings and orders were made or given at the Pre-Hearing Conference held at 9:30 a.m. on November 10, 2015.

In attendance was Heidi Schedler, counsel for the Director of Enforcement.

Although proper service of documents was effected on the Respondents, none attended the Pre-Hearing Conference.

AGREEMENTS:

None.

UNDERTAKINGS:

None.

ORDERS:

1. Service of the Notice of Pre Hearing Conference dated October 26, 2015, the Notice of Hearing dated October 26, 2015 and the Statement of Allegations dated October 22, 2105 was effected on the Respondents in accordance with part 5 of Rule 15-501;
2. Service of documents on the Respondents shall be effected in accordance with part 5 of Rule 15-501 as follows:

- a. Via email to info@stratusoffshore.com and magnusorgerson@gmail.com;
 - b. Via prepaid mail to Stratus Offshore, Edif. Torre Mercedes Calle 24, Paseo Colon, San Jose Costa Rica, 7071011; and
 - c. Via facsimile to 1-866-518-2035;
3. All documents disclosed in this proceeding shall be used for the purpose of this proceeding only, unless otherwise ordered by the Commission;
 4. The Respondents shall keep confidential all documents disclosed in this proceeding pursuant to the Rule 15-501, unless otherwise ordered by the Commission;
 5. On or before November 25, 2015, the Respondents shall provide written notice to the Director of Enforcement that they will comply with paragraphs three and four of this Memorandum of Pre-Hearing Conference;
 6. Promptly upon receipt of the written notice in paragraph five of this Memorandum of Pre-Hearing Conference from each Respondent, the Director of Enforcement shall then make available for inspection to that Respondent all documents and things which are in the possession or control of Staff that are relevant to this proceeding, pursuant to part 8.1 of Rule 15-501;
 7. Promptly upon receipt of the written notice in paragraph five of this Memorandum of Pre-Hearing Conference from each Respondent, the Director of Enforcement shall then deliver, to that Respondent disclosure pursuant to part 8.2 of Rule 15-501 via email, as set out in paragraph 2(a) of this Memorandum of Pre-Hearing Conference;
 8. Should any Respondent fail to provide the written notice referred to in paragraph five of this Memorandum, the Director of Enforcement will make documents available for inspection pursuant to section 8.1 of Rule 15-501 and will deliver disclosure pursuant to section 8.2 of Rule 15-501, in each case with redacted Personal Information, as defined by the *Freedom of Information and Protection of Privacy Act*, S.N.S. 1993 c. 5, in order to protect the personal information of nonparties; and
 9. The hearing to consider the Statement of Allegations of the Director of Enforcement dated October 22, 2015 will be held on Monday, the 21st day of December beginning at 9:30 a.m., unless otherwise ordered by the Commission.

DATED at Halifax, Nova Scotia, this 19 day of November, 2015.

NOVA SCOTIA SECURITIES COMMISSION



Sandra MacPherson Duncan, QC
Chair

Michael Deturbide

Michael Deturbide, QC
Commissioner

Valerie Seager

Valerie Seager
Commissioner