

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

- AND -

IN THE MATTER OF EBI ELECTRONIC BENEFITS INC., ADVANTAGE
FINANCIAL GROUP INC., and EVERETT R. STUCKLESS
(collectively the “Respondents”)

STATEMENT OF ALLEGATIONS

Staff of the Nova Scotia Securities Commission (“Commission”) make the following allegations:

1. Everett R. Stuckless (“Stuckless”) is a registered insurance agent in Nova Scotia.
2. Stuckless is the sole Director of Advantage Financial Group Inc. (Advantage) and a Director of EBI Electronic Benefits Inc. (“EBI”).
3. Advantage is in the market of providing a benefits package which can be categorized as “self insurance”. Advantage is a Nova Scotia incorporated company, originally incorporated in 1997. Since 1997, Advantage has had its incorporation status revoked for non payment in 1998, 2000 and 2004.
4. EBI was incorporated and registered with the Nova Scotia Registry of Joint Stock Companies on April 25, 2005. EBI holds itself out as offering new and innovative in-house claims adjudication software.
5. Beginning in 2005, Stuckless, on behalf of EBI, distributed approximately 800 letters via regular mail and email to residents of Nova Scotia and other provinces in Canada. The purpose of these letters was to raise capital and solicit potential investors of EBI.
6. EBI offered potential investors a guaranteed return on investment of 8.5% with a minimum investment of \$2,000 over 90 days.
7. The Respondents are not registered in any capacity with the Commission.
8. At no time did the Respondents file a preliminary prospectus or final prospectus, nor has the Commission issued a receipt for a preliminary or final prospectus pursuant to the Act.
9. The Respondents have engaged in the trading and distribution of securities in Nova Scotia in a manner that contradicts Nova Scotia securities laws. In particular, the trades and distributions contravened sections 31 and 58 of the Act.

DATED this 9th day of March, 2006.

____ “M. Lianne Bradshaw” _____
M. Lianne Bradshaw
Investigator, Compliance and Enforcement
Nova Scotia Securities Commission