

IN THE MATTER OF THE *SECURITIES ACT*,
S.N.B. 2004, c. S-5.5, AS AMENDED

AND IN THE MATTER OF

**STRATEGIC ENERGY PARTNERS and
JIM PALMER**
(Respondents)

STATEMENT OF ALLEGATIONS
(of Staff of the New Brunswick Securities Commission)

The Parties

1. Strategic Energy Partners ("SEP") holds itself out as a business operating out of Geneva, Switzerland. Staff of the New Brunswick Securities Commission ("Staff") are not aware of any mailing or physical address for SEP. SEP maintains a website at <http://strategicpartners.net> and references the email management@strategicenergypartners.net on its website.
2. Jim Palmer ("Palmer") purports to be an agent or employee of SEP. Staff is not aware of the whereabouts of Palmer. Palmer uses the email jim.palmer@strategicenergypartners.net.

Material Facts Alleged

3. In August and September 2008, and again in January 2009, Palmer and others, on behalf of SEP, solicited a New Brunswick resident, by telephone and email, to trade in securities of Clean Coal Technologies Inc. ("CCTI"), an issuer based in Florida.
4. CCTI states that it has no affiliation with SEP, and that any sales conducted by SEP originate from the holdings of non-affiliated shareholders.
5. During one solicitation of the New Brunswick resident, a representative of SEP was profane and hung-up the telephone when the offer was refused.
6. During another solicitation of the New Brunswick resident, Palmer refused a request to provide written information with respect to the offer of securities, and instead referred the New Brunswick resident the SEP website.
7. The SEP website provides little actual information about SEP, and the website itself is to a large extent copied from the website of another company.

8. SEP purports that the actual sale of the securities it promotes is completed through registered dealers. Staff doubts this, as in May of 2008 SEP completed a sale of CCTI securities to a resident in Ontario without the use of a registered dealer.
9. Neither SEP nor Jim Palmer are registered to trade in securities in New Brunswick and their activities in soliciting the trading of securities by New Brunswick residents without being registered are a violation of section 45 of the *Securities Act*, SNB 2004, c. S-5.5, as amended.
10. On 23 January 2009, a letter was sent to SEP demanding it provide, within 10 days, certain information to permit staff to assess whether SEP was acting in accordance with New Brunswick securities law. No reply has to date been received.
11. It is in the public interest that SEP and Palmer be prohibited from participating in the capital markets of New Brunswick, pursuant to section 184(1) of the *Securities Act*, S.N.B. 2004, c. S-5.5, as amended (the "*Securities Act*").

Relief Sought

12. Staff seeks an order pursuant to section 184(1)(c)(ii) and section 184(d) of the *Securities Act*, that the Respondents shall cease trading in all securities, and that any exemptions under New Brunswick securities law do not apply to the Respondents, permanently, or until the Respondents establish that such relief is not in the public interest.

Evidence in Support of Relief Sought

13. Staff will rely on:
 - a. the affidavit of Ed LeBlanc sworn on 9 February 2009;
 - b. the Affidavit of Mark McElman sworn 9 February 2009; and
 - c. such further and other evidence as Staff may adduce and the Commission may permit.

DATED at the City of Saint John this 6th day of February 2009.

<<original signed by>>

Jake van der Laan
Counsel to Staff of the Commission

New Brunswick Securities Commission
Suite 300, 85 Charlotte Street
Saint John, New Brunswick
E2L 2J2

Tel: (506) 658-6637

Fax: (506) 643-7793

jake.vanderlaan@nbsc-cvmnb.ca