

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

AND IN THE MATTER OF

**TYCOON ENERGY INC.,  
MATTHEW NERBONNE, and  
DAVID HAVENOR.**

(Respondents)

---

## **STATEMENT OF ALLEGATIONS**

(of Staff of the New Brunswick Securities Commission)

---

### **The parties**

1. Tycoon Energy Inc. (Tycoon) is a corporation incorporated in the State of Texas, USA, having an office at 555 Republic Drive, Suite 100, Plano, Texas 750745481.
2. Tycoon maintains a website at <http://tycoonenergy.com> and thereon advertises a fax number at (972) 422 7557.
3. Matthew Nerbonne (AKA Matt Nerbonne) is the founder, President and CEO of Tycoon and maintains an email address at [matt@tycoonenergy.com](mailto:matt@tycoonenergy.com).
4. David Havenor is a Director of Tycoon and maintains an email address at [david@tycoonenergy.com](mailto:david@tycoonenergy.com).

### **The allegations**

5. During November and December 2010, Tycoon, through its Director David Havenor, solicited at least one New Brunswick resident to trade in a security identified as "Plains Ranch Well No. 1 Joint Venture". The said New Brunswick resident was not an accredited investor, a fact which was brought to the specific attention of Mr. Havenor and thereby Tycoon.
6. Mr. Havenor made representations to this New Brunswick resident that the resident could easily get back returns equal to his entire investment within a year.
7. Tycoon provided promotional material as well as "Confidential Private Placement Memorandum" to the New Brunswick resident which contained material misrepresentations in that they failed to disclose that:

- a. Matthew Nerbonne, Tycoon's CEO, was one of several parties named in a Cease and Desist Order issued by the Alabama Securities Commission on 18 February 2010.
  - b. Mr. Nerbonne was also named in a Summary Order to Cease and Desist issued by the Pennsylvania Securities Commission on 12 November 2006. Mr. Nerbonne was subsequently barred from representing an issuer offering or selling securities in Pennsylvania for 10 years.
  - c. Mr. Nerbonne was named in a Desist and Refrain Order issued by the State of California, Business, Transportation and Housing Agency, Department of Corporations, on 14 September 2007, further to his participation in the illegal solicitation and sale of investments to unaccredited investors.
  - d. Mr. Nerbonne was indicted in 1982 by a federal grand jury on 23 counts of mail and wire fraud.
8. Tycoon pays its directors a percentage of the money raised by Tycoon.
  9. The respondents are in the business of trading in securities or hold themselves out as such.
  10. None of the respondents are registered with the Commission in any capacity and are not entitled to rely of the exemption from registration under section 8.4(1) of National Instrument 31-103.
  11. The respondent David Havenor has, with the intention of effecting a trade in a security, made representations relating to the future value or price of a security that is not in accordance with the regulations, contrary to section 58(2) of the *Securities Act*.
  12. Tycoon has, without being exempted under the Securities Act, traded in a security without having filed a prospectus and having obtained a receipt therefor, contrary to section 71(1) of the *Securities Act*.
  13. Tycoon has made material misrepresentations in its "Confidential Private Placement Memorandum" by failing to fully disclose regulatory sanctions imposed on its CEO, Matthew Nerbonne in three other jurisdictions, contrary to section 58(4) of the *Securities Act*.

#### **Relief sought**

14. Staff seek the following relief:
  - a. Upon the filing of these allegations, and as soon as a Panel of the Commission can be struck, an *ex parte* temporary order pursuant to section 184(5) and 184(1)(c) and (d) of the *Securities Act* that:

- i. The respondents cease trading securities immediately;
  - ii. All trading in any securities offered by the respondents, including "Plain Ranch Well No. 1 Joint Venture", cease immediately; and
  - iii. Any exemptions contained in New Brunswick securities law do not apply to the respondents,
- b. Upon a hearing being conducted in this matter, an order pursuant to section 184(1)(c), (d) and section 184(1.1) (with respect to the respondent Matthew Nerbonne) that:
- i. The respondents cease trading securities permanently or for such period of time as the Commission may deem appropriate;
  - ii. All trading in any securities offered by the respondents, including "Plain Ranch Well No. 1 Joint Venture", cease permanently or for such period as the Commission may deem appropriate; and
  - iii. Any exemptions contained in New Brunswick securities law do not apply to the respondents permanently or for such period as the Commission may deem appropriate.

DATED at the City of Saint John this 17<sup>th</sup> day of December 2010.

"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