



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor
20 Queen Street West
Toronto ON M5H 3S8

CP 55, 19^e étage
20, rue queen ouest
Toronto ON M5H 3S8

**IN THE MATTER OF THE *SECURITIES ACT*,
R.S.O. 1990, c. S.5, AS AMENDED**

- AND -

IN THE MATTER OF

**SHALLOW OIL & GAS INC., ERIC O'BRIEN, ABEL DA SILVA,
GURDIP SINGH GAHUNIA also known as MICHAEL GAHUNIA,
ABRAHAM HERBERT GROSSMAN also known as ALLEN GROSSMAN, MARCO
DIADAMO, GORD McQUARRIE, KEVIN WASH, and WILLIAM MANKOFSKY**

ORDER

(Subsections 127(1) & 127(8))

WHEREAS on January 16, 2008, the Ontario Securities Commission ("the Commission") issued a Temporary Order pursuant to subsections 127(1) and (5) of the Securities Act R.S.O. 1990, c. S.5, as amended (the "Act") that: (i) all trading in securities by Shallow Oil & Gas Inc. ("Shallow Oil") shall cease and that all trading in Shallow Oil securities shall cease; and (ii) Eric O'Brien ("O'Brien"), Abel Da Silva ("Da Silva"), Gurdip Singh Gahunia, also known as Michael Gahunia ("Gahunia"), and Abraham Herbert Grossman, also known as Allen Grossman ("Grossman"), cease trading in all securities (the "Temporary Order");

AND WHEREAS on January 16, 2008, the Commission ordered that the Temporary Order shall expire on the 15th day after its making unless extended by order of the Commission;

AND WHEREAS on January 18, 2008, the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, such hearing to be held on January 30, 2008 commencing at 2:00 p.m.;

AND WHEREAS Staff of the Commission ("Staff") served all of the respondents with copies of the Temporary Order and the Notice of Hearing as evidenced by the two Affidavits of Wayne Vanderlaan sworn on January 24 and 29, 2008, and the two Affidavits of Diana Page both sworn on January 21, 2008, and filed with the Commission;

AND WHEREAS a hearing to extend the Temporary Order was held on January 30, 2008 commencing at 2:00 p.m. before Vice-Chair Turner, and Staff and Grossman appeared;

AND WHEREAS Shallow Oil, O'Brien, Da Silva, and Gahunia did not appear;

AND WHEREAS Grossman contested the extension of the Temporary Order;

AND WHEREAS the hearing to consider the extension of the Temporary Order was adjourned to January 31, 2008 at 10:00 a.m. to be heard before a panel of the Commission;

AND WHEREAS on January 31, 2008, a panel of the Commission ordered pursuant to subsection 127(8) of the Act that the Temporary Order be extended to March 31, 2008; and that the hearing be adjourned to Monday, March 31, 2008, at 2:00 p.m.;

AND WHEREAS on March 31, 2008 a hearing was held commencing at 2:00 p.m. and Staff and Grossman appeared, presented evidence and made submissions as to the extension of the Temporary Order;

AND WHEREAS on March 31, 2008, the panel of the Commission considered the evidence and submissions made to it;

AND WHEREAS on March 31, 2008, the panel of the Commission concluded that satisfactory information had not been provided to the Commission by Grossman, as contemplated by subsection 127(8) of the Act;

AND WHEREAS on March 31, 2008, the panel extended the Temporary Order until June 18, 2008;

AND WHEREAS on June 10, 2008, Staff issued a Statement of Allegations in this matter with respect to the respondents Shallow Oil, O'Brien, Da Silva, Gahunia, Grossman,

Marco Diadamo (“Diadamo”), Gord McQuarrie (“McQuarrie”), Kevin Wash (“Wash”), and William Mankofsky (“Mankofsky”);

AND WHEREAS on June 11, 2008, the Commission issued a Notice of Hearing for June 18, 2008 to consider, among other things:

(a) the issuance of a temporary cease trade order against Diadamo, McQuarrie, Wash, and Mankofsky; and,

(b) the extension of the original Temporary Order dated January 16, 2008;

AND WHEREAS Staff served all respondents with copies of the Notice of Hearing for June 18, 2008 as evidenced by the Affidavits of Wayne Vanderlaan and Diana Page sworn on June 16, 2008, and filed with the Commission;

AND WHEREAS on June 18, 2008, a hearing was held commencing at 10:00 a.m. and Staff and Grossman appeared, presented evidence and made submissions, and Diadamo, McQuarrie, and Mankofsky appeared before a panel of the Commission and made submissions as to the issuance of a temporary cease trade order against them;

AND WHEREAS on June 18, 2008, Shallow Oil, O’Brien, Da Silva, and Wash did not appear;

AND WHEREAS on June 18, 2008, Gahunia did not appear, but Staff informed the Commission that Gahunia did not oppose an extension of the Temporary Order until November 25, 2008;

AND WHEREAS on June 18, 2008, the panel of the Commission considered the evidence and submissions of Staff and Grossman, and the submissions of Diadamo, McQuarrie, and Mankofsky;

AND WHEREAS on June 18, 2008, the panel of the Commission concluded that satisfactory information had not been provided to the Commission by any of the respondents in this matter, as contemplated by subsection 127(8) of the Act;

AND WHEREAS on June 18, 2008, the panel of the Commission ordered, pursuant to subsection 127(8) of the Act, that the Temporary Order as against Shallow Oil, O'Brien, Da Silva, and Grossman be extended until the conclusion of the hearing on the merits in this matter;

AND WHEREAS on June 18, 2008, the panel of the Commission ordered, pursuant to subsection 127(8) of the Act, that the Temporary Order as against Gahunia be extended until November 26, 2008;

AND WHEREAS on June 18, 2008, the panel of the Commission ordered, pursuant to subsection 127(5) of the Act, that Diadamo, McQuarrie, Wash, and Mankofsky cease trading in any securities until November 26, 2008 (the "Second Temporary Order"), with the following exception:

Diadamo shall be permitted to trade in securities that are listed on a public exchange recognized by the Commission and only in his own existing trading accounts. Furthermore, any such trading by Diadamo shall be for his sole benefit and only through a dealer registered with the Commission.

AND WHEREAS on June 18, 2008, the panel of the Commission ordered that the hearing with respect to the Temporary Orders in this matter against Gahunia, Diadamo, McQuarrie, Wash and Mankofsky be adjourned to November 25th, 2008, at 2:30 p.m.;

AND WHEREAS Staff served all of the respondents with a certified copy of the Order of the Commission dated June 19, 2008 as evidenced by the Affidavit of Service of Kathleen McMillan sworn on November 20, 2008;

AND WHEREAS on November 25, 2008, a hearing was held commencing at 2:30 p.m. and Staff and McQuarrie appeared before a panel of the Commission and made submissions as to the extension of the Temporary Order and the Second Temporary Order;

AND WHEREAS on November 25, 2008, Shallow Oil, O'Brien, Da Silva, Gahunia, Grossman, Diadamo, Wash and Mankofsky did not appear;

AND WHEREAS on November 25, 2008, the panel of the Commission concluded that satisfactory information had not been provided to the Commission by McQuarrie, Diadamo, Wash, Mankofsky, and Gahunia, as contemplated by subsection 127(8) of the Act;

AND WHEREAS the panel of the Commission is of the opinion that it is in the public interest to make this order;

IT IS HEREBY ORDERED pursuant to subsection 127(8) of the Act that the Temporary Order is extended as against Gahunia until the conclusion of the hearing on the merits in this matter;

IT IS HEREBY ORDERED pursuant to subsection 127(8) of the Act that the Second Temporary Order is extended as against Diadamo, McQuarrie, Wash, and Mankofsky until the conclusion of the hearing on the merits in this matter; and

IT IS FURTHER ORDERED that the hearing with respect to the Notice of Hearing dated June 11, 2008 and Staff's Statement of Allegations dated June 10, 2008 is adjourned to June 4th, 2009 at 10:00 a.m.

DATED at Toronto this 25th day of November, 2008.

“David L. Knight”
David L. Knight, F.C.A.

“Carol S. Perry”
Carol S. Perry

“Paulette L. Kennedy”
Paulette L. Kennedy