



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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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
GLOBAL ENERGY GROUP, LTD., NEW GOLD LIMITED PARTNERSHIPS,
CHRISTINA HARPER, VADIM TSATSKIN, MICHAEL SCHAUMER, ELLIOT
FEDER, ODED PASTERNAK, ALAN SILVERSTEIN, HERBERT GROBERMAN,
ALLAN WALKER, PETER ROBINSON, VYACHESLAV BRIKMAN,
NIKOLA BAJOVSKI, BRUCE COHEN and ANDREW SHIFF**

- AND -

**IN THE MATTER OF A SETTLEMENT AGREEMENT BETWEEN STAFF OF THE
ONTARIO SECURITIES COMMISSION AND MICHAEL SCHAUMER**

**ORDER
(Sections 37 and 127(1))**

WHEREAS by Notice of Hearing dated June 8, 2010, the Ontario Securities Commission (the "Commission") announced that it proposed to hold a hearing, commencing on June 14, 2010, pursuant to sections 37, 127, and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), to consider whether it is in the public interest to make orders, as specified therein, against Global Energy Group, Ltd., New Gold Limited Partnerships ("New Gold"), Christina Harper, Vadim Tsatskin, Michael Schaumer ("Schaumer"), Elliot Feder, Oded Pasternak, Alan Silverstein, Herbert Groberman, Allan Walker, Peter Robinson, Vyacheslav Brikman, Nikola Bajovski, Bruce Cohen and Andrew Shiff. The Notice of Hearing was issued in connection with the allegations as set out in the Statement of Allegations of Staff of the Commission ("Staff") dated June 8, 2010;

AND WHEREAS Schaumer entered into a settlement agreement with Staff dated November 24, 2011 and November 25, 2011 (the "Settlement Agreement") in which Schaumer agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing dated June 8, 2010, subject to the approval of the Commission;

WHEREAS on November 25, 2011, the Commission issued a Notice of Hearing pursuant to sections 37 and 127 of the Act to announce that it proposed to hold a hearing to consider whether it is in the public interest to approve a settlement agreement entered into between Staff and Schaumer;

AND UPON reviewing the Settlement Agreement, the Notices of Hearing, and the Statement of Allegations of Staff, and upon hearing submissions from counsel for Schaumer and from Staff;

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

IT IS HEREBY ORDERED THAT:

- (a) the Settlement Agreement is approved;
- (b) pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by Schaumer cease permanently;
- (c) pursuant to clause 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Schaumer is prohibited permanently;
- (d) pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Schaumer permanently;
- (e) pursuant to clauses 8, 8.2, and 8.4 of subsection 127(1) of the Act, Schaumer is prohibited permanently from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager;
- (f) pursuant to clause 8.5 of subsection 127(1) of the Act, Schaumer is prohibited permanently from becoming or acting as a registrant, as an investment fund manager or as a promoter;
- (g) pursuant to clause 9 of subsection 127(1) of the Act, Schaumer shall pay an administrative penalty in the amount of \$800,000 for his failure to comply with Ontario

securities law to be designated for allocation to or for the benefit of third parties, including investors who lost money as a result of purchasing securities of New Gold, in accordance with subsection 3.4(2)(b) of the Act;

- (h) pursuant to clause 10 of subsection 127(1) of the Act, Schaumer shall disgorge to the Commission the amount of \$640,000 obtained as a result of his non-compliance with Ontario securities law to be designated for allocation to or for the benefit of third parties, including investors who lost money as a result of purchasing securities of New Gold, in accordance with subsection 3.4(2)(b) of the Act; and
- (i) pursuant to subsection 37(1) of the Act, Schaumer is prohibited permanently from telephoning from within Ontario to any residence within or outside Ontario for the purpose of trading in any security or in any class of securities.

DATED at Toronto this 29th day of November, 2011.

“James E. A. Turner”

James E. A. Turner