



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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

- AND -

**IN THE MATTER OF
GLOBAL CONSULTING AND FINANCIAL SERVICES, GLOBAL CAPITAL GROUP,
CROWN CAPITAL MANAGEMENT CORP., MICHAEL CHOMICA, JAN CHOMICA
and LORNE BANKS**

ORDER

(Sections 37, 127(1) and 127(10) of the *Securities Act*)

WHEREAS on March 27, 2013, the Ontario Securities Commission (the “**Commission**”) issued a Notice of Hearing pursuant to sections 37, 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “**Act**”) accompanied by a Statement of Allegations of Staff of the Commission (“**Staff**”) dated March 27, 2013 with respect to Global Consulting and Financial Services (“**Global Consulting**”), Global Capital Group (“**Global Capital**”), Crown Capital Management Corp. (“**Crown Capital**”), Michael Chomica (“**Chomica**”), Jan Chomica and Lorne Banks (“**Banks**”);

AND WHEREAS on July 17, 2013, the Commission approved a settlement agreement between Staff and Banks;

AND WHEREAS on August 6, 2013, the Commission approved a settlement agreement between Staff and Global Consulting and Jan Chomica;

AND WHEREAS by Notice of Motion, Motion Record and Written Submissions dated August 14, 2013, Staff brought a motion for an order to convert the oral hearing on the merits as it relates to Chomica, Crown Capital and Global Capital to a written hearing (the “**Motion**”);

AND WHEREAS on September 4, 2013, Staff appeared at the Motion hearing and Chomica did not appear but had communicated to Staff that he did not oppose the Motion;

AND WHEREAS on September 4, 2013, the Commission granted the Motion and set a schedule for the filing of documents in connection with the written hearing;

AND WHEREAS on September 13, 2013, Staff filed an Amended Statement of Allegations with the Commission;

AND WHEREAS Staff and Chomica jointly requested a hearing to be held on October 2, 2013 at 9:30 a.m., pursuant to subsections 127(1) and 127(10) of the Act, to consider an agreed statement of facts (the “**Agreed Statement of Facts**”) and joint submission on sanctions (the “**Joint Submission on Sanctions**”) in respect of Chomica;

AND WHEREAS on October 1, 2013, the Commission ordered that an oral hearing, which shall commence *in camera* and may continue as a public hearing, be held on October 2, 2013 at 9:30 a.m. to consider:

- (a) the Agreed Statement of Facts and Joint Submission on Sanctions entered into by Staff and Chomica; and
- (b) the next steps in the proceeding with respect to Crown Capital and Global Capital;

AND WHEREAS on October 2, 2013, Staff attended in person and Chomica participated by telephone conference;

AND WHEREAS Staff and Chomica made submissions in connection with the Agreed Statement of Facts and the Joint Submission on Sanctions;

AND WHEREAS Chomica agrees to forfeit to the Commission \$2,000 in cash that was seized by Staff during the execution of a search warrant on his residence and to have that amount applied towards any disgorgement order made by the Commission;

AND WHEREAS the Commission found that pursuant to paragraph 1 of subsection 127(10) of the Act, Chomica’s convictions by the Ontario Court of Justice on March 14, 2013 for contraventions of sections 122 and 126.1(b) of the Act may form the basis of an order in the public interest under subsection 127(1) of the Act;

AND WHEREAS Staff did not pursue its allegation against Chomica in relation to section 25 of the Act, as set out in the Amended Statement of Allegations, and therefore the Commission makes no finding in relation thereto;

AND WHEREAS the Commission has considered the Agreed Statement of Facts, the Joint Submission on Sanctions and the submissions of Staff and Chomica and is of the opinion that it is in the public interest to make this Order;

IT IS HEREBY ORDERED THAT:

- (a) pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by Chomica shall cease permanently from the date of this Order;
- (b) pursuant to clause 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Chomica is prohibited permanently from the date of this Order;
- (c) pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Chomica permanently from the date of this Order;
- (d) pursuant to clause 6 of subsection 127(1) of the Act, Chomica was reprimanded orally at the hearing held on October 2, 2013;
- (e) pursuant to clauses 8, 8.2, and 8.4 of subsection 127(1) of the Act, Chomica is prohibited permanently from the date of this Order 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, Chomica is prohibited permanently from the date of this Order from becoming or acting as a registrant, as an investment fund manager or as a promoter;
- (g) pursuant to clause 10 of subsection 127(1) of the Act, Chomica shall disgorge to the Commission the amount of \$550,000 obtained as a result of his non-compliance with Ontario securities law, such amount shall be designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b)(i) or (ii) of the Act;
- (h) pursuant to subsection 37(1) of the Act, Chomica is prohibited permanently, from the date of this Order, 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; and
- (i) notwithstanding the provisions of this Order, once Chomica has fully satisfied the terms of the disgorgement order in paragraph (g) above, Chomica shall be permitted to acquire and/or trade securities for the account of his registered

retirement savings plan (“**RRSP**”) as defined in the *Income Tax Act*, R.S.C., 1985, c. 1, as amended.

DATED at Toronto this 2nd day of October, 2013.

“Alan Lenczner”

Alan J. Lenczner