



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor CP 55, 19^e étage
20 Queen Street West 20, rue queenouest
Toronto ON M5H 3S8 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 SCHAUER, ELLIOT
FEDER, ODED PASTERNAK, ALAN SILVERSTEIN, HERBERT GROBERMAN,
ALLAN WALKER, PETER ROBINSON, VYACHESLAV BRIKMAN,
NIKOLA BAJOVSKI, BRUCE COHEN and ANDREW SHIFF**

**SETTLEMENT AGREEMENT
BETWEEN STAFF AND PETER ROBINSON**

PART I - INTRODUCTION

1. 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. ("Global Energy") and New Gold Limited Partnerships ("New Gold"), Christina Harper ("Harper"), Vadim Tsatskin ("Tsatskin"), Michael Schaumer ("Schaumer"), Elliot Feder ("Feder"), Oded Pasternak ("Pasternak"), Alan Silverstein ("Silverstein"), Herbert Groberman ("Groberman"), Allan Walker ("Walker"), Peter Robinson ("Robinson"), Vyacheslav Brikman ("Brikman"), Nikola Bajovski ("Bajovski"), Bruce Cohen ("Cohen") and Andrew Shiff ("Shiff"), (collectively the "Respondents"). The Notice of Hearing was issued in connection with the allegations as set out in the Statement of Allegations of Staff of the Commission dated June 8, 2010.

2. The Commission will issue a Notice of Hearing to announce that it will hold a hearing to consider whether, pursuant to sections 37 and 127 of the Act, it is in the public interest for the Commission to approve this Settlement Agreement and to make certain orders in respect of Robinson.

PART II – JOINT SETTLEMENT RECOMMENDATION

3. Staff agree to recommend settlement of the proceeding initiated by the Notice of Hearing dated June 8, 2010 against Robinson (the “Proceeding”) in accordance with the terms and conditions set out below. Robinson consents to the making of an order in the form attached as Schedule “A”, based on the facts set out below.

PART III – AGREED FACTS

Background Regarding Global Energy

4. Global Energy and New Gold have never been registered with the Commission in any capacity.

5. Global Energy was purportedly based in and operated from the Bahamas. The partnerships underlying the securities of New Gold were purportedly registered in Kentucky and/or the Bahamas.

6. The primary business of Global Energy was selling the securities of New Gold through its salespersons operating from offices in the Toronto area (the “Ontario Offices”).

7. The other operating office of Global Energy was located in Lexington, Kentucky and operated by a lawyer named Bryan Coffman.

8. The Ontario Offices traded securities, consisting of units of series of New Gold limited partnerships, to members of the public by Global Energy and persons related to Global Energy.

9. Members of the public could buy either full units of New Gold for \$49,000 as well as quarter-units and half-units from salespersons affiliated with Global Energy.
10. New Gold has never filed a prospectus with the Commission with respect to the units of New Gold.
11. The trading of the securities of New Gold occurred during the period from approximately June of 2007 up to and including June 25, 2008 (the “Material Time”). Tsatskin and Harper supervised and directed the sale of the New Gold securities by Robinson and persons affiliated with Global Energy from the Ontario Offices.
12. Approximately \$14.75 million (U.S.) was raised from the sale of the securities of New Gold to approximately 200 investors as a result of the activities salespersons, representatives or agents of Global Energy.
13. The sale of the New Gold securities has also been the subject of an investigation by the United States Attorney General and securities regulatory authorities in the State of Kentucky.

Trading in New Gold Securities by Robinson

14. From approximately June of 2007 up to approximately September of 2007, Robinson, a resident of Ontario, sold securities of New Gold from the Ontario Offices under the direction and supervision of Harper. Robinson has known Harper for approximately 15 years.
15. Robinson was provided a script by Harper about the securities of New Gold to assist him in his sales of these securities to members of the public.
16. Robinson then telephoned potential investors across Canada for the purpose of selling New Gold securities. Using scripts and other information supplied by Harper, Robinson told these investors and potential investors that New Gold was an oil investment and that it consisted

of ownership of oil wells located in Kentucky. He also informed investors that they could expect a return or “payback” on their investment within ten to fourteen months. Brochures about New Gold, provided by Harper, were also forwarded to persons that Robinson contacted.

17. Some of the persons Robinson contacted were members of the public to whom Robinson had previously sold securities, including persons who had purchased securities of York Rio Resources Inc. Robinson had access to a database containing approximately 600 potential investors.

18. There was a verbal agreement between Harper and Robinson whereby Robinson would be paid a commission of 20 percent of the gross proceeds of his sales of New Gold securities.

19. Robinson also acted as an “opener” for Harper. After he sold New Gold securities to certain investors, Harper would then attempt to sell more securities of New Gold to these same investors. This process is also known as “loading”. If Harper was successful in selling more securities, she would receive a 10 per cent commission from the sale as the “loader” or “senior” and Robinson, as the “opener” would receive a 10 per cent commission.

20. Harper kept the records of Robinson’s sales of New Gold securities. Upon verifying the sale of these New Gold securities by Robinson, Harper would then send further information by fax or email to these investors. Harper would also direct these investors in New Gold to send their funds for the purchase of these securities by a bank draft or a wire transfer to addresses in Kentucky.

21. Harper would arrange for Robinson to be paid his commissions from an account in the name of GVC Marketing Inc. (“GVC”). GVC is a company controlled by Tsatskin.

22. Robinson met Tsatskin a number of times at the Ontario Offices and elsewhere and knew him as “Victor”.

23. During the Material Time, Robinson sold a total of \$73,500 worth of securities in New Gold to investors in Canada. Two investors bought half-units and two investors bought quarter-units of New Gold for a total of 1.5 units of New Gold. Robinson also received commissions in relation to secondary sales of New Gold securities made by Harper.
24. Robinson received a total of approximately \$22,000 in commissions in relation to the sale of New Gold securities.
25. Robinson ceased selling securities of New Gold after a dispute with Harper over commissions related to sales of New Gold securities.
26. Robinson was not registered with the Commission in any capacity during the Material Time.

PART IV - CONDUCT CONTRARY TO THE PUBLIC INTEREST

27. By engaging in the conduct described above, Robinson admits and acknowledges that he contravened Ontario securities law during the Material Time in the following ways:
- (a) During the Material Time, Robinson traded in securities without being registered to trade in securities, contrary to section 25(1)(a) of the Act and contrary to the public interest; and
 - (b) During the Material Time, Robinson traded in securities of New Gold when a preliminary prospectus and a prospectus had not been filed and receipts had not been issued for them by the Director, contrary to section 53(1) of the Act and contrary to the public interest;
28. Robinson admits and acknowledges that he acted contrary to the public interest by contravening Ontario securities law as set out in sub-paragraphs 27 (a) and (b).

PART V - TERMS OF SETTLEMENT

29. Robinson agrees to the terms of settlement listed below.
30. The Commission will make an order, pursuant to sections 37 and 127(1) of the Act, that:
- (a) the Settlement Agreement is approved;
 - (b) trading in any securities by Robinson cease permanently from the date of the approval of the Settlement Agreement, with the exception that Robinson is permitted to trade in securities in mutual funds through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act* (Canada));
 - (c) the acquisition of any securities by Robinson is prohibited permanently from the date of the approval of the Settlement Agreement, with the exception that Robinson is permitted to acquire securities in mutual funds through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act* (Canada));
 - (d) any exemptions contained in Ontario securities law do not apply to Robinson permanently from the date of the approval of the Settlement Agreement;
 - (e) Robinson is reprimanded;
 - (f) Robinson 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;
 - (g) Robinson 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; and,
 - (h) Robinson shall disgorge to the Commission \$22,000 obtained as a result of his non-compliance with Ontario securities law. The \$22,000 disgorged shall be for

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

(i) Robinson shall pay an administrative penalty of \$4,400 for his failure to comply with Ontario securities law. The \$4,400 administrative penalty shall be for allocation to or for the benefit of third parties, including investors who lost money as a result of purchasing New Gold securities, in accordance with s. 3.4(2) of the Act; and

(j) Robinson cease permanently, from the date of the approval of the Settlement Agreement, to telephone from within Ontario to any residence within or outside Ontario for the purpose of trading in any security or any class of securities.

31. Robinson undertakes to consent to a regulatory Order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the prohibitions set out in sub-paragraphs 30. (a) to (j) above.

PART VI - STAFF COMMITMENT

32. If this Settlement Agreement is approved by the Commission, Staff will not initiate any other proceeding under the Act against Robinson in relation to the facts set out in Part III herein, subject to the provisions of paragraph 33 below.

33. If this Settlement Agreement is approved by the Commission, and at any subsequent time Robinson fails to honour the terms of the Settlement Agreement, Staff reserve the right to bring proceedings under Ontario securities law against Robinson based on, but not limited to, the facts set out in Part III herein as well as the breach of the Settlement Agreement.

PART VII - PROCEDURE FOR APPROVAL OF SETTLEMENT

34. Approval of this Settlement Agreement will be sought at a hearing of the Commission scheduled on a date to be determined by the Secretary to the Commission, or such other date as may be agreed to by Staff and Robinson for the scheduling of the hearing to consider the Settlement Agreement.

35. Staff and Robinson agree that this Settlement Agreement will constitute the entirety of the agreed facts to be submitted at the settlement hearing regarding Robinson's conduct in this matter, unless the parties agree that further facts should be submitted at the settlement hearing.

36. If this Settlement Agreement is approved by the Commission, Robinson agrees to waive all rights to a full hearing, judicial review or appeal of this matter under the Act.

37. If this Settlement Agreement is approved by the Commission, neither party will make any public statement that is inconsistent with this Settlement Agreement or inconsistent with any additional agreed facts submitted at the settlement hearing.

38. Whether or not this Settlement Agreement is approved by the Commission, Robinson agrees that he will not, in any proceeding, refer to or rely upon this Settlement Agreement or the settlement negotiations as the basis of any attack on the Commission's jurisdiction, alleged bias or appearance of bias, alleged unfairness or any other remedies or challenges that may otherwise be available.

PART VIII – DISCLOSURE OF SETTLEMENT AGREEMENT

39. If, for any reason whatsoever, this Settlement Agreement is not approved by the Commission or the order attached as Schedule "A" is not made by the Commission:

- (a) this Settlement Agreement and its terms, including all settlement negotiations between Staff and Robinson leading up to its presentation at the settlement hearing, shall be without prejudice to Staff and Robinson; and

- (b) Staff and Robinson shall be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing on the merits of the allegations in the Notice of Hearing and Statement of Allegations of Staff, unaffected by the Settlement Agreement or the settlement discussions/negotiations.

40. The terms of this Settlement Agreement will be treated as confidential by all parties hereto until approved by the Commission. Any obligations of confidentiality shall terminate upon approval of this Settlement Agreement by the Commission. The terms of the Settlement Agreement will be treated as confidential forever if the Settlement Agreement is not approved for any reason whatsoever by the Commission, except with the written consent of Robinson and Staff or as may be required by law.

PART IX. - EXECUTION OF SETTLEMENT AGREEMENT

41. This Settlement Agreement may be signed in one or more counterparts which together will constitute a binding agreement

42. A facsimile copy of any signature will be as effective as an original signature.

Dated this 22nd day of October, 2010.

Signed in the presence of:

“Melanie Webb”

“Peter Robinson”

Witness:

Peter Robinson

Dated this 22nd day of October, 2010

“Tom Atkinson”

STAFF OF THE ONTARIO SECURITIES COMMISSION
per Tom Atkinson
Director, Enforcement Branch

Dated this 25th day of October, 2010

SCHEDULE "A"



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, 19e 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 PETER ROBINSON

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

WHEREAS on _____, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 37 and 127 of the *Securities Act*, R.S.O. 1990, c.S.5, as amended (the "Act") in respect of Peter Robinson ("Robinson");

AND WHEREAS Robinson entered into a Settlement Agreement with Staff of the Commission dated _____, 2010 (the "Settlement Agreement") in which Robinson agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing, subject to the approval of the Commission;

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

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

SCHEDULE "A"

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 Robinson cease permanently, with the exception that Robinson is permitted to trade in securities in mutual funds through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act* (Canada));
- (c) pursuant to clause 2.1 of section 127(1) of the Act, Robinson is prohibited permanently from the acquisition of any securities, with the exception that Robinson is permitted to acquire securities in mutual funds through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act* (Canada));
- (d) pursuant to clause 3 of section 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Robinson permanently;
- (e) pursuant to clause 6 of subsection 127(1) of the Act, Robinson is reprimanded;
- (f) pursuant to clauses 8, 8.2, and 8.4 of subsection 127(1) of the Act, Robinson 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;
- (g) pursuant to clause 8.5 of subsection 127(1) of the Act, Robinson 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;
- (h) pursuant to clause 9 of subsection 127(1) of the Act, Robinson shall pay an administrative penalty of \$4,400 for his failure to comply with Ontario securities law. The \$4,400 administrative penalty shall be for allocation to or for the benefit of third

SCHEDULE "A"

parties, including investors who lost money as a result of purchasing New Gold Limited Partnership securities, in accordance with s. 3.4(2) of the Act;

- (i) pursuant to clause 10 of subsection 127(1) of the Act, Robinson shall disgorge to the Commission \$22,000 obtained as a result of their non-compliance with Ontario securities law. The \$22,000 disgorged shall be for allocation to or for the benefit of third parties, including investors who lost money as a result of purchasing New Gold Limited Partnership securities, in accordance with s. 3.4(2) of the Act; and
- (j) pursuant to section 37(1) of the Act of the Act, Robinson shall be 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 security.

DATED AT TORONTO this day of , 2010.
