



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 PETROLEUM STRATEGIES, LLC, PETROLEUM UNLIMITED, LLC, AURORA ESCROW SERVICES, LLC, JOHN ANDREW, VINCENT CATALDI, CHARLOTTE CHAMBERS, CARL DYLAN, JAMES EULO, RICHARD GARCIA, TROY GRAY, JIM KAUFMAN, TIMOTHY KAUFMAN, CHRIS HARRIS, MORGAN KIMMEL, ROGER A. KIMMEL, JR., ERIK LUNA, MITCH MALIZIO, ADAM MILLS, JENNA PELUSIO, ROSEMARY SALVEGGI, STEPHEN J. SHORE AND CHRIS SPINLER.

**STATEMENT OF ALLEGATIONS
(Section 127 of the *Securities Act*)**

Staff of the Ontario Securities Commission makes the following allegations:

A. The Respondents

1. Global Petroleum Strategies, LLC (Global) has offices in Boca Raton, Florida. Global holds itself out as a company that raises investment capital for independent oil companies.
2. Petroleum Unlimited, LLC (Petroleum) is a limited liability company, incorporated in the State of Wyoming on February 12, 2008. Its offices are located in Aurora, Ohio.
3. Aurora Escrow Services, LLC (Aurora) is a limited liability company, incorporated in the State of Wyoming on October 19, 2004. Its offices are located in Aurora, Ohio. Aurora is the escrow agent for Petroleum.
4. Roger A. Kimmel, Jr. (Kimmel Jr.) is an attorney and resident of Aurora, Ohio. At the material time, Kimmel Jr. was the President and Chief Executive Officer of Petroleum and the President, Director and Manager of Aurora.

5. Morgan Kimmel is Kimmel Jr.'s daughter. At the material time, Morgan Kimmel also held herself out as being in charge of Aurora.

6. John Andrew, Vincent Cataldi, Charlotte Chambers, Carl Dylan, James Eulo, Richard Garcia, Troy Gray, Jim Kaufman, Timothy Kaufman, Chris Harris, Erik Luna, Mitch Malizio, Adam Mills, Jenna Pelusio, Rosemary Salveggi, Stephen J. Shore and Chris Spinler were Global salespersons at the material time.

B. The Allegations

The Alberta Securities Commission Cease Trade Order

7. On July 3, 2008, the Alberta Securities Commission (ASC) issued an interim cease trade order (ICTO) under subsection 33(1) of the Alberta *Securities Act*, R.S.A. 2000, c. S-4 against Global, Petroleum, Aurora, Kimmel and Salveggi.

8. The ASC ICTO was extended on July 17, 2008 until a hearing is concluded and a decision rendered, or until otherwise ordered.

The Saskatchewan Financial Services Commission Cease Trade Order

9. On July 14, 2008, the Saskatchewan Financial Services Commission (SFSC) issued a temporary cease trade order (TCTO) under subsection 134(3) of the Saskatchewan *Securities Act*, 1988, S.S. 1988, c.S-42.2 against Global, Petroleum, Aurora, Kimmel, Troy Gray and Stephen J. Shore.

10. The SFSC TCTO was extended on July 29, 2008 until the SFSC is provided with satisfactory information to enable it to make a further order.

The Ontario Investors

11. In the spring and summer of 2008, at least 27 Canadian investors, including seven Ontario investors purchased Petroleum securities (Ontario investors). The Ontario investors invested a total of US\$105,581.52.

12. Some of the Ontario investors visited a website called OilTalkLive.com which advertised direct oil well investments. OilTalklive.com held itself out as a worldwide independent consumer information service located in Houston, Texas.

13. The OilTalkLive.com website promised returns of up to 500 percent and gave an example of how a \$25,000 investment in one of these products would yield \$250,000 in five years. The website asked investors to register by providing their name, email address, phone and the amount they had to invest to find their perfect oil investment.

14. James Eulo, Kimmel Jr., Morgan Kimmel, Stephen J. Shore subsequently contacted some of the Ontario investors by email and telephone soliciting them to invest in Petroleum.

15. After the Alberta and Saskatchewan orders were issued, Global identified the following Global salespersons who may have been involved in selling Petroleum: John Andrew, Vincent Cataldi, Charlotte Chambers, Carl Dylan, Richard Garcia, Troy Gray, Jim Kaufman, Timothy Kaufman, Chris Harris, Erik Luna, Mitch Malizio, Adam Mills, Jenna Pelusio, Rosemary Salveggi, Stephen J. Shore and Chris Spinler.

16. The Ontario investors purchased units in Petroleum and sent US funds by wire transfer to a bank account of which Aurora was the named beneficiary. The account was located at Fifth Third Bank, 353 W. Garfield Rd. Aurora, Ohio, 44202, USA.

17. After wiring the funds, the Ontario investors received Petroleum investor and membership certificates and individual subscription agreements for non-US investors by mail or courier.

18. Global, Petroleum and Aurora have never filed a prospectus with the Ontario Securities Commission (OSC).

19. Global, Petroleum, Aurora and the Global account executives, in particular, James Eulo, Kimmel Jr., Morgan Kimmel and Stephen J. Shore have never been registered with the OSC.

C. Conduct Contrary to the Public Interest

20. The respondents, Global, Petroleum, Aurora, Kimmel Jr. and Rosemary Salveggi are subject to an ASC ICTO. An order may be made against these respondents under section 127(10) of the Ontario *Securities Act*, R.S.O. 1990, c.S.5. as amended (the Act) based on this cease trade order.

21. The respondents, Global, Petroleum, Aurora, Kimmel Jr., Troy Gray and Stephen J. Shore are subject to an SFSC TCTO. An order may be made against these respondents under section 127(10) of the Act based on this cease trade order.

22. The respondents, James Eulo, Kimmel Jr., Morgan Kimmel, Steve Shore are trading in securities in Ontario, without registration contrary to subsection 25(1) of the Act.

23. The respondents, James Eulo, Kimmel Jr., Morgan Kimmel, Steve Shore are also trading in securities in Ontario in circumstances where a prospectus has not been filed with the OSC contrary to subsection 53(1) of the Act.

24. By engaging in the conduct described above, the respondents James Eulo, Kimmel Jr., Morgan Kimmel, Steve Shore have breached Ontario securities law and acted contrary to the public interest. An order against these respondents is in the public interest.

25. An order against all of the respondents who were Global salespersons at the material time who may have sold Petroleum is in the public interest.

26. Such further and other allegations as Staff may advise and the Commission may permit.

January 5, 2009