

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

- and -

**IN THE MATTER OF
TEODOSIO VINCENT PANGIA
and TRANSDERMAL CORP.**

**STATEMENT OF ALLEGATIONS OF STAFF
OF THE ONTARIO SECURITIES COMMISSION
(In Support of Temporary Cease Trade Order)**

Staff of the Ontario Securities Commission (“Staff”) make the following allegations in support of a Notice of Hearing to extend the Temporary Order dated February 23, 2009, pending completion of Staff’s investigation:

I. THE RESPONDENTS

1. Transdermal Corp. (“Transdermal”) is a company incorporated in the State of Nevada, U.S.A. and advertises on its website¹ a business address in Burlington, Ontario.
2. Information provided on Transdermal’s website indicates that the company develops and sells a line of skin care and anti-aging products.
3. Transdermal has been noted in default of its filing obligations in Nevada since October 1, 2008. According to the website of the Nevada Secretary of State,

¹ www.transdermalcorp.com

Transdermal failed to file a list of officers by the deadline of September 30, 2008, and has no active or inactive officers. Transdermal's shares are not known to be listed on any exchange.

4. Teodosio Vincent Pangia ("Pangia") is a resident of Burlington, Ontario and lives at the same location provided on Transdermal's website as the company's business address. He is not registered to trade in securities in Ontario.

II. ALLEGATIONS

5. In addition to ordering other sanctions, on December 16, 2003, the Ontario Securities Commission permanently banned Pangia from:
 - a. trading in securities,
 - b. using any exemptions contained in Ontario securities law, or
 - c. becoming or acting as a director and/or officer of any issuer.In addition, the Commission ordered Pangia to undertake to never apply for registration in any capacity under Ontario securities law.
6. In November and December 2008, Pangia drafted a lengthy Business Plan for Transdermal's anticipated business in the cosmetics industry. Pangia provided the Business Plan to potential investors and used it and the representations contained in it as a platform to solicit investment in the company.
7. Pangia is an integral part of the mind and management of Transdermal and acted as a de facto officer or director of the company.
8. Transdermal permitted Pangia to act as described above on behalf of the company.

9. Transdermal's detailed Business Plan and website provide lists of the officers and directors of the company, but omit any mention of Pangia's involvement with Transdermal.

III. CONDUCT CONTRARY TO THE PUBLIC INTEREST

10. Pangia engaged in acts in furtherance of trades in securities of Transdermal in Ontario, contrary to his permanent ban and contrary to s. 25(1)(a) of the *Securities Act* (the "Act").
11. Pangia acted as a de facto officer or director of an issuer, contrary to his permanent ban.
12. Transdermal permitted Pangia to engage in acts in furtherance of trades in securities of Transdermal contrary to his permanent ban and contrary to s. 25(1)(a) of the Act.
13. Transdermal permitted Pangia to act as a de facto officer or director of an issuer, contrary to his permanent ban.
14. Transdermal made misleading or untrue statements, contrary to s. 126.2(1) the Act.
15. By acting as described above, the Respondents acted contrary to the public interest and in a manner that is harmful to the integrity of Ontario's capital markets.
16. Staff reserve the right to make such further and other allegations as Staff may advise and the Commission may permit.

DATED at Toronto this 25th day of February, 2009.