



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 -

**LEHMAN COHORT GLOBAL GROUP INC., ANTON SCHNEDL,
RICHARD UZNER, ALEXANDER GRUNDMANN
and HENRY HELSINGER**

**STATEMENT OF ALLEGATIONS
OF STAFF OF THE ONTARIO SECURITIES COMMISSION**

Staff of the Ontario Securities Commission (“Staff”) make the following allegations regarding violations of the *Securities Act*, R.S.O 1990, c. S. 5, as amended (the “Act”) and conduct contrary to the public interest by Lehman Cohort Global Group Inc. (“Lehman”), Anton Schnedl (“Schnedl”), Richard Unzer (“Unzer”), Alexander Grundmann (“Grundmann”) and Henry Hehlsinger (“Hehlsinger”), collectively (the “Respondents”):

I. THE RESPONDENTS

1. Lehman is a corporation registered in the Province of Ontario with its registered office located in Toronto, Ontario.
2. Lehman is not registered in any capacity with the Ontario Securities Commission (the “Commission”).
3. Schnedl is one of the directing minds of Lehman and appears to reside in Europe.
4. Schnedl incorporated Lehman in Ontario and installed an employee of a Toronto law firm as its sole director (the “Canadian Director”).

5. The Canadian Director had no knowledge of any activity being undertaken by Lehman that required registration with the Commission.
6. All instructions regarding Lehman to the Canadian Director were provided by Schnedl.
7. Persons giving their names as Unzer, Grundmann and Hehlsinger have represented themselves as agents and/or employees of Lehman.
8. Schnedl, Unzer, Grundmann and Hehlsinger are not registered with the Commission in any capacity.
9. Lehman created a website with a internet address of www.lehmangroup.net (the “Lehman Website”). The Lehman Website describes the investment services Lehman provides and advertises office locations in Toronto, Los Angeles, and the Republic of Dominica.

II. **UNREGISTERED TRADING IN SECURITIES BY THE RESPONDENTS**

10. Through the Lehman Website, Lehman holds itself out as being engaged in the business of advising others as to the investing in or the buying or selling of securities.
11. For example, the Lehman Website in describing its “Products” states that it offers a “Comprehensive Range of Products and Services” including the following:

Equity Strategies: Enabling clients to take advantage of opportunities and manage risk by diversifying their portfolio across many different sectors, styles and geographic regions

Fixed Income Strategies: Enabling clients to create a diversified investment plan that addresses capital preservation, current income and capital appreciation with an array of portfolio products.

Structured Products: Enabling clients to take advantage of principal-protected notes, hedging and liquidity strategies, multi-currency deposits and loan facilities, and customized structured products.

12. From approximately December 2007 to November 2008, bank accounts held by Lehman (the “Lehman Accounts”) at TD Canada Trust (“TD”) received significant funds from investors in Europe.
13. In 2007, a German speaking citizen of Austria (the “Austrian Investor”) began receiving a number of calls from Unzer, Grundmann and Hehlsinger who all spoke German and claimed to be brokers and advisors affiliated with Lehman.
14. In February 2008, the Austrian Investor received further information from Grundmann about investing in oil futures. Grundmann then sent the Austrian Investor an application allowing her to open an account with Lehman.
15. The Austrian Investor was provided with a contract and was instructed to send it to Lehman’s head office which was purportedly located at 100 King Street, 37th Floor, Toronto, Ontario (the “Lehman Business Office”). The Austrian Investor signed the contract and returned it via fax.
16. Grundmann also sent the Austrian Investor instructions to send investment funds to an account controlled by Lehman at a branch of TD located at 110 Yonge Street, Toronto, Ontario.
17. Throughout 2008, the Austrian Investor provided approximately over € 200,000 to Lehman for investment on her behalf at the sole discretion of Lehman. She continued to receive emails and online information about her account at Lehman.
18. Lehman purported to invest the funds provided by the Austrian Investor by making purchases of oil futures and U.S. government treasuries on behalf of the Austrian Investor.
19. The Austrian investor received statements from Lehman which purported to document these investments.

III. ACTS OF FRAUD BY THE RESPONDENTS

20. The Austrian Investor sent funds totalling over €200,000 to Lehman for investment on her behalf.
21. At the beginning of July 2008, the Lehman account statement of the Austrian Investor showed a positive balance of over \$400,000.00 (U.S.). However, by the end of the month, the Austrian Investor was informed that her account balance was negative as a result of transactions made on her behalf by Lehman.
22. During the latter part of the month of July, the Austrian Investor had instructed Lehman numerous times to terminate her account and return her invested capital but received no reply from Lehman. Lehman did not return any funds to her.
23. In September of 2008, Hehlsinger called the Austrian Investor and told her that it would be possible to cut her losses in half if she invested more funds with Lehman. The Austrian Investor did not accede to Hehlsinger's request for further funds.
24. From approximately August 2008 to December 2008, Unzer also kept calling the Austrian Investor in an attempt to convince the Investor to invest additional funds with Lehman in order to recoup losses.
25. From December 2007 to November 2008, significant funds from Lehman accounts at TD were transferred to banks in southern Spain to the credit of accounts in Schnedl's name and the accounts of others.
26. There is no evidence that any of the funds sent to the Lehman accounts at TD were used for legal investment purposes.

III. TEMPORARY CEASE TRADE ORDERS IN ONTARIO

27. On May 20, 2009, the Commission issued a temporary order under sections 127(1) and (5) of the Act (the "Temporary Order"). Pursuant to the Temporary Order, the

Respondents were prohibited from trading in any securities and that any exemptions contained in Ontario securities law did not apply to the Respondents

28. The Lehman Website fails to disclose the existence of the Temporary Order.

V. VIOLATIONS OF THE SECURITIES ACT AND CONDUCT CONTRARY TO THE PUBLIC INTEREST

29. The conduct of the Respondents was contrary to Ontario securities law as they traded securities without being registered in accordance with section 25(1) of the Act and engaged in an act, practice or course of conduct relating to securities that the Respondents knew or reasonably ought to have known perpetuated a fraud on a person contrary to section 126.1 of the Act and thereby acted contrary to the public interest.

DATED at Toronto, August 14, 2009.