



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

- AND -

**IN THE MATTER OF ROBERT JOSEPH VANIER
(a.k.a. CARL JOSEPH GAGNON)**

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

Staff of the Ontario Securities Commission (“Staff”) make the following allegations:

I. THE RESPONDENT

1. Robert Joseph Vanier (“Vanier”) is a resident of Ontario and has never been registered with the Commission in any capacity. Carl Joseph Gagnon (“Gagnon”) was a resident of Quebec and has never been registered with the Commission in any capacity. Vanier and Gagnon are the same person. Vanier changed his name from Gagnon to Vanier before 2002.
2. Gagnon has a lengthy record at least 70 convictions for offences under the *Criminal Code of Canada*, R.S.C. 1985, c. C-46, as amended (the “Criminal Record”)

II. ONCO PETROLEUM INC.

3. Onco Petroleum Inc. (“Onco”) was incorporated under the laws of Ontario on October 31, 2002 and continued as a federal corporation under the laws of Canada on September 29, 2006.
4. Vanier was Chairman of the Board of Onco from October 31, 2002 until April 6, 2006. Vanier was Vice President and Secretary of Onco from October 31, 2002 until March 31, 2003. Vanier was President and Chief Executive Officer of Onco from March 13, 2007 to September 25, 2008.
5. On October 12, 2007, Onco filed a prospectus with the Commission to gain reporting issuer status (the “Prospectus”). No securities were being offered pursuant to the Prospectus.

6. Vanier, as President and Chief Executive Officer of Onco, signed a Certificate of the Corporation dated October 12, 2007, certifying that “the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by Part XV of the *Securities Act* (Ontario) and the regulations thereunder” (the “Certificate of the Corporation”).
7. Vanier, as a Promoter of Onco, signed a Certificate of Promoters dated October 12, 2007, certifying that “the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by Part XV of the *Securities Act* (Ontario) and the regulations thereunder” (the “Certificate of Promoters”).
8. The Certificate of the Corporation and the Certificate of Promoters were filed with the Prospectus with the Commission on October 12, 2007.

III. MISREPRESENTATIONS TO STAFF OF THE COMMISSION AND CNQ

A. STAFF OF THE COMMISSION

(I) THE CRIMINAL RECORD

9. During the course of filing the Prospectus with Staff, Vanier did not disclose that he was previously known as Gagnon, nor did he disclose the Criminal Record.

(II) AVAILABLE FUNDS

10. Under the heading “Use of Available Funds” - the Prospectus states: “At June 30, 2007, the Company held approximately \$20,499,208 in U.S. funds (equivalent to \$21,839,856 at that date).”
11. At June 30, 2007, Onco did not have \$21,839,856 in available assets. Approximately \$20,000,000 was owed to Onco and was evidenced by an unsecured promissory note from William Del Biaggio III. There was no notation in the Prospectus regarding the outstanding promissory note for approximately \$20,000,000 from William Del Biaggio III.
12. On September 9, 2009, William Del Biaggio III was sentenced in U.S. federal court on one count of securities fraud to serve eight years and one month in jail in California and ordered to pay \$67.5 USD million in restitution.

(III) OUTSTANDING COMMON SHARES

13. The Prospectus disclosed that 163,320,000 common shares of Onco were outstanding on June 30, 2007 and provided a list of persons who held, or to whom shares were issued previously. The Prospectus did not contain any information for 22,250,380 of those outstanding common shares.

B. CNQ

14. On August 20, 2007, Vanier filed an Application on behalf of Onco with Canadian Trading and Quotation System Inc. (“CNQ”), to have its securities qualified for listing and trading on the CNQ (the “Application”).
15. The Application contained Form 2A - Listing Statement - Certificate of the Issuer, signed by Vanier as Chief Executive Officer of Onco which stated: “Pursuant to a resolution duly passed by its Board of Directors, Onco Petroleum Inc. hereby applies for the listing of the above mentioned securities on CNQ. The foregoing contains full, true and plain disclosure of all material information relating to Onco Petroleum Inc. It contains no untrue statement of material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is being made from being false or misleading in light of the circumstances in which it was made.
16. The Application also contained Form 2B - Listing Summary containing, among other things, financial information as at December 31, 2006 that listed Current Assets as \$23,831,817. The Application contained no reference to a promissory note from William Del Biaggio III.
17. The Application contained Form 3 - Personal Information Form, requiring the applicant to answer a number of questions and to swear/declare that all the answers are true and correct to the best of their knowledge (the “PIF Affidavit”) The PIF Affidavit was sworn by Vanier on April 18, 2007.
18. In the PIF Affidavit, in response to question 2: “Have you ever had, used or operated under, or carried on business under any name other than the name mentioned in Question 1(a) [above] of this form, or have you ever been known under any other name?” Vanier answered no.
19. In the PIF Affidavit, in response to question 4(b): “Have you ever been convicted under any law of any province, territory, state or country for contraventions or criminal offences not noted in 4(a) above [securities-related offences]? Vanier answered no.

IV. CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND CONTRARY TO THE PUBLIC INTEREST

20. The specific allegations advanced by Staff are:
- (a) Vanier failed to provide full, true and plain disclosure of all material facts relating to the securities issued or proposed to be distributed contrary to section 56(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”)
 - (b) Vanier made statements in an application, preliminary prospectus, prospectus, financial statement or other document required to be filed or furnished under Ontario securities law that, in a material respect and at the time and in light of the circumstances in which it was made, were misleading or untrue or did not state a fact that was required to be stated or that was necessary to make the statement not misleading contrary to section 122(1)(b) of the Act;
 - (c) Vanier, as the President and Chief Executive Officer of Onco did authorize, permit or acquiesce in the commission of the violations of sections 56(1) and 122(1)(b) of the Act, as set out above, by representatives of Onco pursuant to section 129.2 of the Act; and
 - (d) Vanier’s conduct was contrary to the public interest.
21. Staff reserve the right to make such further and other allegations as Staff may advise and the Commission may permit.

DATED at Toronto, the 29th day of March, 2010.