



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

P.O. Box 55, 19<sup>th</sup> 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 AGORACOM INVESTOR RELATIONS CORP.,  
AGORA INTERNATIONAL ENTERPRISES CORP., GEORGE TSIOLIS and  
APOSTOLIS KONDAKOS (a.k.a. PAUL KONDAKOS)**

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

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

**I. OVERVIEW**

1. This proceeding relates to on-line posting activity by Agoracom Investor Relations Corp. (“AIRC”) and Agora International Enterprises Corp. (“AIEC”) (collectively “Agoracom”), an on-line investment relations firm, and its management, George Tsiolis (“Tsiolis”) and Apostolis Kondakos, a.k.a. Paul Kondakos (“Kondakos”) (collectively the “Respondents”) in a manner that was contrary to the public interest.
2. Staff allege that the Respondents’ course of conduct spanned from September 1, 2006 to July 31, 2009 (the “Material Time”).
3. This proceeding also relates to the interception by Kondakos of private messages sent between public users using the Agoracom platform, contrary to the public interest. This course of conduct spanned from July 2008 to February 2009.

## **II. THE RESPONDENTS**

### **A. The Corporate Respondents**

4. None of the corporate respondents were registered with the Commission in any capacity during the Material Time.

5. AIRC is an Ontario company incorporated on February 12, 2007. AIRC employs Agoracom representatives and contracts with clients to provide investor relations services.

6. AIEC is an Ontario company incorporated on April 23, 1997. Revenue from Agoracom gets reported to AIEC.

7. Together, AIRC and AIEC carry on business in Toronto, Ontario as “Agoracom” and perform the business of an online investor relations firm for public companies whose securities are publicly listed in Canada.

### **B. The Individual Respondents**

8. Tsiolis is a resident of Toronto, Ontario and is the founder and a directing mind of Agoracom. Tsiolis is the sole director of AIEC, one of two directors of AIRC and is the registrant for the domain name “agoracom.com”.

9. Tsiolis was registered as an officer & director (trading) and shareholder, under the category of limited market dealer with Agoracom Capital Inc. from July 2, 2008 to September 28, 2009. Tsiolis has been registered as a dealing representative and approved as a permitted individual (officer, director and shareholder), under the category of exempt market dealer with Agoracom Capital Inc. since September 28, 2009.

10. Kondakos is a resident of Toronto, Ontario and is the other directing mind of Agoracom. Kondakos is an officer of AIRC.

11. Kondakos was registered as officer & director (trading) and approved as designated compliance officer, under the category of limited market dealer with Agoracom Capital Inc. from July 2, 2008 to September 28, 2009. Kondakos has been registered as a dealing

representative and approved as a permitted individual (officer & director), under the category of exempt market dealer with Agoracom Capital Inc. since September 28, 2009. Kondakos has also been registered as ultimate designated person and chief compliance officer, under the category of exempt market dealer with Agoracom Capital Inc. since December 29, 2009.

### **III. ALIAS POSTINGS BY AGORACOM MANAGEMENT AND REPRESENTATIVES**

12. According to their website ([www.agoracom.com](http://www.agoracom.com)), Agoracom “caters to the IR and marketing needs of small and micro cap public companies trading on the TSX [and] TSX Venture...”. Agoracom offers pricing models for its clients which incorporate a monthly fee and stock options equalling the greater of 250,000 shares or 0.5% of a company’s fully diluted outstanding share total at current prices.

13. Agoracom’s online content includes webcasts, podcasts, and blogs. Perusal of [www.agoracom.com](http://www.agoracom.com) is free and open to the public. Visitors are directed to client and non-client issuer “hubs” created and maintained by Agoracom. Among the features available on a specific company’s hub is a discussion forum, relating to the issuers’ securities.

14. Agoracom’s representatives serviced the client hubs by moderating their discussion forums and posting information and news to the forums. In order to post comments on the discussion forums, users are required to create a username and provide an e-mail address.

15. Tsiolis and Kondakos required their representatives, as part of their daily responsibilities, to post anonymously to some client forums using aliases. To post messages anonymously, the representatives created fictitious usernames and posed as investors blending in with other users, investors and interested persons. Representatives had between 40-50 aliases (some had up to 200) and were required to make up to 2 posts per hub per day or risk having their pay docked. On occasion, Agoracom staff conversed with themselves on the forums using different aliases.

16. Staff alleges that during the Material Time:

- (a) more than 24,000 alias posts were created from within Agoracom on client and

non-client hubs;

- (b) more than 670 alias user names were created by representatives of Agoracom and used on client and non-client hubs;
- (c) alias posts originated from Tsiolis' residence; and
- (d) posts by Agoracom representatives, using their aliases, were occasionally promotional and promoted purchasing and/or holding stock.

17. Neither the public users nor the majority of Agoracom's clients were aware that representatives of Agoracom were posting on their hubs using aliases. In some cases, Agoracom reported the number of posts and shareholder inquiries answered by Agoracom's representatives to clients on a monthly basis, and failed to disclose that a portion of the posts and shareholder inquiries were created by Agoracom's own representatives. For certain clients, alias posts by Agoracom's representatives represented a significant proportion of the postings within the forum.

18. The Respondents also took steps to actively conceal the alias posting activity by its representatives. In March 2009, when the business development representative, Scott Purkis, revealed that he was an Agoracom representative posting with an alias, the Respondents posted an "Official Statement" stating that these actions were carried out by a single individual and that Agoracom would be taking steps within next sixty (60) days to ensure that this would never happen again. The message posted by the Respondents to the public in relation to Purkis' alias postings was misleading given that Tsiolis and Kondakos knew and instructed many representatives to create and use multiple aliases to post on all of the client forums. In addition, Tsiolis and Kondakos were aware that representatives continued to post using aliases after this Statement was released.

19. Staff allege that posting activity described above, mandated by the Respondents, was undertaken in part to create a misleading appearance of greater interest in the securities of Agoracom's clients.

#### **IV. INTERCEPTION OF PRIVATE MESSAGES**

20. Another feature available on the Agoracom platform is a “private messaging” service which, according to Agoracom’s web site, allows users to have “direct and private contact with other Agoracom members.”

21. From July 2008 to February 2009, Kondakos intercepted private messages sent between public users for the purpose of gathering information about reporting issuers and issuers, in which he was personally invested.

22. Kondakos forwarded private messages to a personal friend who was not associated with Agoracom and provided this individual with administrative access to the Agoracom website. This individual also intercepted private messages between public users, and forwarded these private messages to Kondakos.

#### **VI. CONDUCT CONTRARY TO THE PUBLIC INTEREST**

23. By engaging in the conduct described above, the Respondents have acted contrary to the public interest.

Dated at Toronto this 10th day of November, 2010.