



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 REJEAN DESROSIERS

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

(Subsections 127(1) and 127.1)

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

1. In late 2007, Rejean DesRosiers (“DesRosiers”) and another person incorporated ZipZoom Canada Inc. (“ZipZoom Canada”).
2. Starting in approximately February 2009, a total of 213 investors (the “Founding Members”) invested in ZipZoom Canada by way of entering into an agreement which entitled the investors to receive, on a *pro rata* basis, a portion of the revenues that were to be generated by ZipZoom Canada (the “ZipZoom Canada Securities”).
3. Due to a dispute with the other director of ZipZoom Canada, in October 2009 DesRosiers incorporated ZipZoom Horizons Inc. (“ZipZoom Horizons”).
4. Founding Members were offered the opportunity to convert their interests in ZipZoom Canada into a beneficial interest in preferred shares of ZipZoom Horizons to be held in trust pursuant to the ZipZoom Capital Trust Agreement (the “ZipZoom Horizons Securities”).
5. Between approximately October 2009 and March 2010, a total of 297 investors, including 206 Founding Members, acquired ZipZoom Horizons Securities for total proceeds of \$803,400.
6. By engaging in the conduct described above, DesRosiers contravened Ontario securities law by:

- a. trading in ZipZoom Canada Securities and ZipZoom Horizons Securities without being registered under the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) to trade in securities, contrary to subsection 25(1)(a) of the Act as it existed prior to September 28, 2009 and subsection 25(1) in force as of September 28, 2009; and
 - b. distributing ZipZoom Canada Securities and ZipZoom Horizons Securities where no preliminary prospectus and prospectus in respect of such securities had been filed and receipts issued by the Director, contrary to subsection 53(1) of the Act.
7. DesRosiers acted contrary to the public interest and his actions as described above were harmful to the integrity of the capital markets.
8. Staff reserve the right to make such other allegations as Staff may advise and the Commission may permit.

DATED at Toronto this 27th day of March, 2013.