



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, 19^e 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
HERITAGE MANAGEMENT GROUP and ANNA HRYNISAK**

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

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

Overview

1. This proceeding involves a fraudulent advance-fee scheme (the “Heritage Scheme”) that targeted shareholders residing in the United Kingdom, Europe and Africa (the “Shareholders”).
2. Pursuant to the Heritage Scheme, the Shareholders were solicited to send advance-fees to accounts held at bank branches in Ontario in the name of Heritage Management Group (“Heritage” and the “Heritage Accounts”) purportedly to facilitate the sale of shares held by the Shareholders.
3. Twelve shareholders sent approximately \$650,000 to the Heritage Accounts as part of the Heritage Scheme between August 2009 and February 2010 (the “Material Time”).
4. The Shareholders received no consideration for their payments and suffered a complete loss of all amounts paid to the Heritage Accounts.
5. During the Material Time, Anna Hrynysak (“Hrynysak”) was the directing mind of Heritage and controlled the Heritage Accounts.

The Respondents

6. Heritage is a sole proprietorship registered in Ontario to Hrynysak.
7. Hrynysak is a resident of Ontario. Hrynysak opened the Heritage Accounts and was the sole signatory on those accounts during the Material Time.
8. Neither Heritage nor Hrynysak has ever been registered in any capacity with the Commission.

The Heritage Scheme

9. During the Material Time, persons, using aliases and purporting to act on behalf of “Corporate Solutions Mergers and Acquisitions” and “Malay Finance”, solicited the Shareholders for the purpose of inducing them to make various payments as part of the Heritage Scheme.
10. The Heritage Scheme involved an artificial offer to purchase shares owned by the Shareholders at inflated prices. As part of the Heritage Scheme, the Shareholders were instructed that certain payments were necessary to complete the sale of their shares and ensure that they received the promised payouts.
11. The Shareholders were instructed to send the funds representing these payments to the Heritage Accounts.
12. Twelve Shareholders paid advance-fees totalling USD \$412,836 and CAD \$226,851 (net of deposits that were rejected and returned to the complainants) to the Heritage Accounts as a result of the solicitations outlined above.
13. The solicitations were part of an artifice designed to defraud the Shareholders. The purported purchases of the Shareholders’ shares never occurred and the Shareholders suffered a complete loss of the amounts paid as a result of the Heritage Scheme.

Breaches of the *Securities Act* and Conduct Contrary to the Public Interest

14. The specific allegations advanced by Staff are as follows:
- a) Heritage and Hrynysak (the “Respondents”) engaged in and held themselves out as engaging in the business of trading in securities without registration in circumstances where no exemption was available, contrary to section 25 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act");
 - b) the Respondents directly or indirectly engaged in or participated in an act, practice or course of conduct relating to securities which they or it knew, or reasonably ought to have known, perpetrated a fraud on investors, contrary to section 126.1(b) of the Act;
 - c) Hrynysak authorized, permitted or acquiesced in Heritage’s non-compliance with Ontario securities law contrary to section 129.2 of the Act; and
 - d) the Respondents’ conduct was contrary to the public interest and harmful to the integrity of the Ontario capital markets.
15. 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.