



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
SHARON DOWNING**

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

Staff of the Ontario Securities Commission (“Staff”) allege:

I. OVERVIEW

1. On March 30, 2015, Sharon Downing (“Downing”) entered into a Settlement Agreement (the “Settlement Agreement”) with the British Columbia Securities Commission (the “BCSC”).
2. Downing is subject to an order made by the BCSC dated March 30, 2015 (the “BCSC Order”) that imposes sanctions, conditions, restrictions or requirements upon her.
3. Staff are seeking an inter-jurisdictional enforcement order reciprocating the BCSC Order, pursuant to paragraphs 4 and 5 of subsection 127(10) of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”).
4. The conduct for which Downing was sanctioned took place from June to November 2008 (the “Material Time”).

5. In the Settlement Agreement, Downing admitted to trading in securities without being registered and engaging in an illegal distribution of securities by introducing three individuals to Thomas Arthur Williams (“Williams”) during the Material Time, for which Downing received commissions. The three individuals became investors, to whom no exemptions applied, and collectively invested \$180,000 in one or more various companies.

II. THE BCSC PROCEEDINGS

Agreed Statement of Facts

6. In the Settlement Agreement, Downing agreed with the following facts:

Background

- a. Downing is a resident of the United States.
- b. Between June 2008 and November 2008, Downing acted as a finder for Williams and the following companies:
 - i. Global Wealth Creation Opportunities Inc.;
 - ii. Global Wealth Creation Opportunities (Belize);
 - iii. Global Wealth Financial Inc.;
 - iv. Global Wealth Creation Strategies Inc.;
 - v. CDN Global Wealth Creation Club RW-TW; and
 - vi. 2002 Concepts Inc.

(collectively, the “Global Group of Companies”).
- c. Downing has never been registered under the British Columbia *Securities Act*, R.S.B.C. 1996, c. 418 (the “BC Act”) in any capacity.

- d. No prospectus has ever been filed with the BCSC in respect of the distribution of securities of the Global Group of Companies.

Misconduct

Illegal Distribution

- e. Between February 2007 and April 2010, Williams and the Global Group of Companies raised approximately \$11.7 million from approximately 123 investors.
- f. In her capacity as a finder for Williams, Downing introduced three investors, to whom no exemptions applied, to the Global Group of Companies. The investors Downing introduced collectively invested \$180,000.
- g. Downing received US \$3,231 in commissions for introducing these investors to the Global Group of Companies.
- h. By introducing investors to the Global Group of Companies, Downing:
 - i. traded in securities without being registered, contrary to section 34(a) of the BC Act, and
 - ii. distributed securities for which a prospectus has not been filed, contrary to section 61 of the BC Act.

The BCSC Order

- 7. The BCSC Order imposed the following sanctions, conditions, restrictions or requirements upon Downing:
 - a. For a period of 3 years:
 - i. under section 161(1)(b) of the BC Act, Downing cease trading in, or be prohibited from purchasing, any securities, except that she may trade securities through one account in her own name through a registrant if she first provides a copy of the BCSC Order to the registrant;

- ii. under section 161(1)(d)(iii) of the BC Act, Downing is prohibited from becoming or acting as a registrant or promoter;
- iii. under section 161(1)(d)(iv) of the BC Act, Downing is prohibited from acting in a management or consultative capacity in connection with activities in the securities market; and
- iv. under section 161(1)(d)(v) of the BC Act, Downing is prohibited from engaging in investor relations activities.

Undertaking

- 8. Downing undertook to pay to the BCSC US \$3,231 in respect of settlement of the matter, which represents the commissions she obtained as a result of her contraventions of the BC Act.

Consent to Regulatory Orders

- 9. Downing consents to a regulatory order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the Orders set out in paragraph 2 of the Settlement Agreement.

III. JURISDICTION OF THE ONTARIO SECURITIES COMMISSION

- 10. Downing is subject to an order of the BCSC that imposes sanctions, conditions, restrictions or requirements upon her.
- 11. Pursuant to paragraphs 4 and 5, respectively, of subsection 127(10) of the Act, an order made by a securities regulatory authority, derivatives regulatory authority or financial regulatory authority, in any jurisdiction, that imposes sanctions, conditions, restrictions or requirements on a person or company, or an agreement with a securities regulatory authority, derivatives regulatory authority or financial regulatory authority, in any jurisdiction, that a person or company is to be made subject to sanctions, conditions, restrictions or requirements may form the basis for an order in the public interest made under subsection 127(1) of the Act.

12. Staff allege that it is in the public interest to make an order against Downing.
13. Staff reserve the right to amend these allegations and to make such further and other allegations as Staff deem fit and the Commission may permit.

DATED at Toronto, this 28th day of September, 2015.