



Ontario
Securities
Commission
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Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor CP 55, 19^e étage
20 Queen Street West 20, rue queen ouest
Toronto ON M5H 3S8 Toronto ON M5H

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

- AND -

**IN THE MATTER OF
SHALLOW OIL & GAS INC., ERIC O'BRIEN, ABEL DA SILVA,
ABRAHAM HERBERT GROSSMAN also known as ALLEN GROSSMAN
and KEVIN WASH**

**ORDER
(Section 127)**

WHEREAS on January 16, 2008, the Ontario Securities Commission (“the Commission”) issued a Temporary Order pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) that: (i) all trading in securities by Shallow Oil & Gas Inc. (“Shallow Oil”) shall cease and that all trading in Shallow Oil securities shall cease; and (ii) Eric O’Brien (“O’Brien”), Abel Da Silva (“Da Silva”), and Abraham Herbert Grossman, also known as Allen Grossman (“Grossman”), cease trading in all securities (the “Temporary Order”);

AND WHEREAS on June 19, 2008, following a hearing before the Commission, the Commission ordered:

1. The Temporary Order be extended until the completion of the hearing on the merits; and
2. Pursuant to subsection 127(5) of the Act, that Kevin Wash (“Wash”) cease trading in any securities (the “Second Temporary Order”);

AND WHEREAS on November 25, 2008, the Commission ordered that the Second Temporary Order be extended until the conclusion of the hearing on the merits in this matter;

AND WHEREAS on December 15, 2011, it was ordered that the hearing on the merits shall commence on June 18, 2012, and shall continue on June 20, 21, and 22, 2012, or on such further or other dates as may be agreed to by the parties and fixed by the Office of the Secretary;

AND WHEREAS an Amended Notice of Hearing was issued on May 14, 2012, accompanied by an Amended Statement of Allegations filed by Staff with respect to Shallow Oil, O'Brien, Da Silva, Grossman and Wash;

AND WHEREAS on May 29, 2012, Staff indicated that they would be requesting, pursuant to Rule 11 of the Commission's *Rules of Procedure* (2010), 33 OSCB 8017, that all or substantially all of the hearing on the merits be conducted as a written hearing;

AND WHEREAS on May 29, 2012, the Commission advised the parties that it would hear oral submissions in respect of Staff's request for a written hearing at the outset of the hearing on June 18, 2012;

AND WHEREAS on June 18, 2012, Staff appeared before the Commission for the hearing on the merits, and no-one appeared on behalf of the Respondents;

AND WHEREAS on June 18, 2012, Staff withdrew their request for a written hearing;

AND WHEREAS on June 18, 2012 the Commission was unable to hear this matter in the manner contemplated in the Order of December 15, 2011 due to a scheduling conflict and ordered that the hearing be adjourned to commence on October 29, 2012;

AND WHEREAS on October 29, 2012, Wash and counsel for Staff appeared;

AND WHEREAS on October 29, 2012, Wash signed an agreed statement of facts (the "Agreed Statement of Facts") which was filed with the Commission;

AND WHEREAS in the Agreed Statement of Facts, Wash admitted and acknowledged that he engaged in conduct such that he contravened Ontario securities law and acted contrary to the public interest in the following ways:

1. By trading securities of Shallow Oil without being registered with the Commission to trade in securities, contrary to subsection 25(1)(a) of the Act;
2. By trading in securities of Shallow Oil in circumstances where the trading constituted a distribution and 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; and

3. By engaging or participating in acts, practices or courses of conduct relating to the Shallow Oil securities that he knew or reasonably ought to have known perpetrated a fraud on investors in Ontario and elsewhere in Canada, contrary to subsection 126.1(b) of the Act;

IT IS HEREBY ORDERED that a sanctions hearing with respect to Wash shall commence on November 15, 2012 at 10:00 a.m. at the offices of the Commission, 20 Queen Street West, 17th Floor, Toronto, Ontario.

DATED at Toronto this 29th day of October, 2012.

“James E. A. Turner”

James E.A. Turner