

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

AND -

**IN THE MATTER OF
OFFSHORE MARKETING ALLIANCE and
WARREN ENGLISH**

SETTLEMENT AGREEMENT

I INTRODUCTION

1. By Amended Notice of Hearing dated December 20, 2002, the Ontario Securities Commission announced that it proposed to hold a hearing to consider whether, pursuant to sections 127 and 127.1 of the Ontario *Securities Act*, it is in the public interest for the Commission:
 - (a) to make an order that the respondents cease trading in securities, permanently or for such time as the Commission may direct;
 - (b) to make an order that the respondents be reprimanded;
 - (c) to make an order that Warren English be required to resign all positions that he holds as a director or officer of any issuer;
 - (d) to make an order that Warren English be prohibited from becoming or acting as a director or officer of an issuer permanently or for such time as the Commission may direct;
 - (e) to make an order that the respondents pay the costs of Staff's investigation in relation to this proceeding;

- (f) to make an order that the respondents pay the costs of this proceeding incurred by or on behalf of the Commission; and
- (g) to make such other order as the Commission may deem appropriate.

II JOINT SETTLEMENT RECOMMENDATION

- 2. Staff of the Commission agree to recommend settlement of the proceedings initiated in respect of the respondents by the Notice of Hearing in accordance with the terms and conditions set out below. The respondents agree to the settlement on the basis of the facts agreed to as provided in Part III and consent to the making of an Order in the form attached as Schedule “A” on the basis of the facts set out in Part III.

III FACTS

- 3. The respondents agree to the facts that follow solely for the purposes of this agreement.
- 4. Offshore Marketing Alliance (OMA) is incorporated under the laws of Belize as an International Business Corporation, but carried on business in the Province of Ontario.
- 5. Warren English is a former resident of Pickering, Ontario and currently resides in Laval, Quebec. English is 56 years old, and is the sole officer and director, as well as the controlling mind, of OMA.
- 6. In the period between April, 1999 and December, 2000, OMA traded in securities. The securities traded by OMA took the form of “Prime Bank” trading contracts or programs.
- 7. OMA and English used e-mail messages to communicate the existence and terms of the

trading programs and to solicit investment in the programs.

8. Neither OMA nor English has ever been registered with the Commission in any capacity under Ontario securities law.
9. OMA and English's sale of the trading programs constituted a distribution of securities for which no prospectus had been issued and no exemption was available, contrary to section 53 of the Act.
10. By soliciting investments in the trading programs, English and OMA traded in securities and acted as advisors without registration, contrary to section 25 of the Act.

Contravention of the Temporary Cease Trading Order

11. On December 11, 2000, the Commission issued a temporary order requiring OMA and English to cease trading in securities for a period of fifteen days (the "Temporary Order").
12. On December 20, 2000, the Commission ordered that the Temporary Order be extended until the conclusion of the hearing, and ordered that the hearing be adjourned *sine die*.
13. On May 8, 2002, OMA and English traded in securities by soliciting an Ontario resident to participate in a trading program. This trade constituted a violation of the Temporary Order.

Conduct Contrary to the Public Interest

14. The conduct of the respondents, as described above, was contrary to the public interest.

IV RESPONDENT'S POSITION

15. English states that he has no prior experience in the financial services industry.

V TERMS OF SETTLEMENT

16. The respondents agree to the following terms of settlement:
- (a) pursuant to clause 2 of subsection 127(1) of the Act, English will be prohibited from trading in securities, with the exception of securities held in a registered retirement savings plan in his name, for a period of 10 years, effective the date of the Order of the Commission approving this settlement agreement;
 - (b) pursuant to clause 6 of subsection 127(1) of the Act, English will be reprimanded by the Commission;
 - (c) pursuant to clause 8 of subsection 127(1) of the Act, English will be required to resign all positions that he holds as director or officer of an issuer, effective the date of the Order of the Commission approving this proposed settlement agreement;
 - (d) pursuant to clause 8 of subsection 127(1) of the Act, English will be prohibited from becoming or acting as a director or officer of any issuer for a period of fifteen years, effective the date of the Order of the Commission approving this proposed settlement agreement;

- (e) pursuant to subsection 1 of section 127.1 of the Act, English will make a payment of \$10,000.00 towards the costs of Commission Staff's investigation of this matter;
- (f) pursuant to clause 2 of subsection 127(1) of the Act, Offshore Marketing Alliance will be permanently prohibited from trading in securities; and
- (g) pursuant to clause 6 of subsection 127(1) of the Act, Offshore Marketing Alliance will be reprimanded by the Commission.

VI STAFF COMMITMENT

- 17. If this agreement is approved by the Commission, Staff will not initiate any complaint to the Commission or request the Commission to hold a hearing or issue any order in respect of any conduct or alleged conduct of the respondents in relation to the facts set out in Part III of this agreement.

VII PROCEDURE FOR APPROVAL OF SETTLEMENT

- 18. The approval of this agreement shall be sought at a public hearing before the Commission scheduled for such date as is agreed to by Staff and the respondents in accordance with the procedures described herein and such further procedures as may be agreed upon between Staff and the respondents.
- 19. If this agreement is approved by the Commission, it will constitute the entirety of the evidence to be submitted respecting the respondents in this matter and the respondents agree to waive any right to a full hearing and appeal of this matter under the Act.

20. If this agreement is approved by the Commission, the parties to this agreement will not make any statement that is inconsistent with this agreement.
21. If, for any reason whatsoever, this agreement is not approved by the Commission, or the Order set forth in Schedule "A" is not made by the Commission:
 - (a) each of Staff and the respondents will be entitled to proceed to a hearing of the allegations in the Notice of Hearing and related Statement of Allegations unaffected by this agreement; and
 - (b) the respondents further agree that they will not raise in any proceeding this agreement or the negotiation or process of approval thereof as a basis for any attack on the Commission's jurisdiction, alleged bias, appearance of bias, alleged unfairness or any other challenge that may otherwise be available.

VIII DISCLOSURE OF AGREEMENT

22. Staff or the respondents may refer to any part or all of this agreement in the course of the hearing convened to consider this agreement. Otherwise, this agreement and its terms will be treated as confidential by all parties until approved by the Commission, and forever if, for any reason whatsoever, this agreement is not approved by the Commission.
23. Any obligation as to confidentiality shall terminate upon the approval of this agreement by the Commission.

IX EXECUTION OF SETTLEMENT AGREEMENT

24. This agreement may be signed in one or more counterparts which together shall constitute a binding agreement and a facsimile copy of any signature shall be as effective as an original signature.

DATED this 10th day of February, 2003

Witness

“Warren English”

Warren English

DATED this 10th day of February, 2003

OFFSHORE MARKETING ALLIANCE

“Warren English”

(Per) _____

Warren English

I have authority to bind the corporation.

DATED this 13th day of February, 2003

**STAFF OF THE ONTARIO
SECURITIES COMMISSION**

“Michael Watson”

(Per) _____

Michael Watson

Director, Enforcement Branch