

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

**and**

**IN THE MATTER OF  
FIRST GLOBAL VENTURES, S.A., ABRAHAM HERBERT GROSSMAN (a.k.a. ALLEN  
GROSSMAN)  
and ALAN MARSH SHUMAN (a.k.a. ALAN MARSH)**

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

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

**THE RESPONDENTS**

1. First Global Ventures, S.A. (“First Global”) is a company incorporated on March 31, 2006 in Panama. First Global advised on its former website ([www.firstglobalventures.com](http://www.firstglobalventures.com)) and on its letterhead that its office was located at Ave. Aquilino De La Guardia y Calle 47, Edificio Ocean Business Plaza, Piso 18, Panama City, Panama, Apartado postal 0816-02273.
2. Allen Grossman (“Grossman”) of Toronto, Ontario is the president and director of Maitland Capital Ltd. (“Maitland”). Grossman resides in Toronto and is subject to the ongoing cease trade orders issued by provincial securities commissions in Ontario, New Brunswick, Alberta and Saskatchewan.
3. Alan Marsh Shuman (“Shuman”) resides in Toronto and Staff have received a letter purportedly from Alan Marsh dated June 9, 2006 advising that Shuman is an officer of First Global. Shuman has denied being the author of the letter dated June 9, 2006 and has advised Staff that he is not an officer of First Global.

4. None of First Global, Grossman or Shuman is registered with the Ontario Securities Commission (the “Commission”) in any capacity.

#### **SOLICITATIONS BY FIRST GLOBAL AND SHUMAN**

5. Starting in or about April 2006, Maitland shareholders were contacted by a person identifying himself as Al Marsh. Al Marsh’s full name is Alan Marsh Shuman. Shuman told some of the Maitland shareholders that he was calling from Panama. Shuman advised Maitland shareholders that their investments in Maitland were no longer promising and he offered to assume all of their Maitland shares provided that the Maitland shareholders purchased shares in First Global for additional monies. The calls were made at a time when trading in Maitland shares was ordered to cease by the Commission.

6. At the time of the solicitations, most, if not all, of the Maitland shareholders were not accredited investors as defined in Commission Rule 45-501 - Ontario Prospectus and Registration Exemptions and in other Canadian jurisdictions in National Instrument 45-106 - Prospectus and Registration Exemptions and no effort was made to determine the investors’ status.

7. First Global and Shuman have solicited additional Maitland shareholders and other individuals in Ontario and in other jurisdictions to purchase shares in First Global. Most, if not all, of these shareholders were not accredited investors.

8. First Global’s office in Panama was a “virtual” office and telephone calls, faxes, e-mails and packages sent to First Global in Panama were forwarded to Al Marsh in Ontario.

9. The solicitations for trades in shares of First Global are trades in shares that have not been previously issued and are therefore distributions.

10. No prospectus receipt has been issued by the Commission to qualify the sale of First Global shares in Ontario.

11. The Maitland shares offered to be exchanged for shares in First Global have been subject to temporary cease trade orders issued by a number of provincial securities commissions including:

a. a temporary order issued by the Saskatchewan Financial Services Commission on July 22, 2005 against Maitland, Grossman and another person and extended indefinitely on August 8, 2005;

b. an interim cease trade order issued by the Alberta Securities Commission against Maitland, Grossman and others on November 8, 2005 and extended on November 21, 2005. Another interim cease trade was issued by the Alberta Securities Commission against Grossman and others on March 29, 2006 and extended on April 13, 2006;

c. a temporary order issued by the Commission against Maitland, Grossman and others on January 24, 2006 and extended on February 8 and 28, 2006, April 19, May 29 and June 28, 2006; and

d. a temporary order issued against Maitland, Grossman and others by the New Brunswick Securities Commission (the "NBSC") on March 31, 2006 and extended on April 11, 2006 and May 24, 2006.

#### **FIRST GLOBAL'S WEBSITE**

12. In early April 2006, Grossman retained a Toronto web development company, SeeThrough Web to create a website for First Global.

13. Grossman provided the content for the First Global website to SeeThrough Web. Much of this content was copied from other websites.

14. On April 20, 2006, the domain name [www.firstglobalventures.com](http://www.firstglobalventures.com) was registered for use on the internet and the First Global website went live on May 2, 2006.

15. The original First Global website included representations that: (a) First Global currently manages over \$340 million in capital; (b) First Global's partners have been involved in energy, media, technology and communications for over 8 years; and (c) First Global was founded in 1998, which representations are false.

**ORDER OF REPUBLICA DE PANAMA COMISION NACIONAL DE VALORES/  
PANAMANIAN NATIONAL SECURITIES COMMISSION**

16. By order of the Panama Comisión Nacional de Valores ("CNV") dated September 19, 2006, the CNV ordered, *inter alia*:

- a. the immediate suspension of any kind of advertising by First Global on any communication media, including websites, as a preventative measure and for the general protection of the investing public, including also any security transaction and trading and the provision of services related with the securities exchange for which a licence issue by the CNV is required;
- b. that this suspension order also applied to the use of any documents offering services typical of an investment consultant, investment manager, securities firm, securities broker, analyst, principal manager or offering shares in investment companies in or from the Republic of Panama; and
- c. the filing of books, accounts and documents requested by the National Bureau of Securities Exchange and Control, based on grounded reasons, in order to determine if any intermediation of funding activities are being conducted by First Global.

17. Notwithstanding that First Global is a Panamanian corporation, First Global lacks the necessary licence to carry on business as a securities intermediary to or from Panama.

18. As a result of the CNV order and orders of the Ontario and New Brunswick Securities Commissions, three web hosting companies have removed First Global's web pages from their servers. As a result, First Global currently operates its website at [www.firstglobalventures.net](http://www.firstglobalventures.net).

#### **INVOLVEMENT OF ALLEN GROSSMAN AND ALAN MARSH SHUMAN**

19. Grossman has been and continues to be subject to a temporary cease trade order issued by the Commission in the Maitland matter on January 24, 2006.

20. Marsh has been and continues to be subject to a temporary order issued by the Commission in this matter on May 29, 2006.

21. Grossman operates a company, Introvest Consulting Limited ("Introvest") which provides consulting services to First Global for a monthly fee of \$10,000 plus GST and provides lists of names of potential investors to First Global at a cost of U.S. \$100 per name. Introvest was incorporated on February 27, 2006 as an Ontario corporation.

22. Grossman either by himself or through Introvest carried out the following acts, solicitations or conduct in furtherance of trades of First Global shares to the public:

- a. sold names of potential investors to First Global at a cost of US \$100 per name;
- b. contracted with SeeThrough Web to create the First Global website, the content of which was copied from another website;
- c. retrieved e-mails sent to various First Global e-mail addresses using computers located at Introvest's office;
- d. arranged for couriers to pick up documents including subscription agreements and cheques from investors;

- e. arranged for couriers to deliver documents including share certificates, subscription invoices and First Global correspondence to investors;
- f. communicated to Maitland shareholders concerning an opportunity to trade in their Maitland shares for First Global shares;
- g. directed investors to [www.firstglobalventures.com](http://www.firstglobalventures.com) for additional information on First Global;
- h. advised investors that First Global's shares would be listed on a stock exchange and expected to increase in value;
- i. advised investors that he had invested in First Global and that First Global was a great opportunity;
- j. arranged for couriers to deliver documents and cheques to First Global in Panama and to First Global's bank in Panama;
- k. paid North Star Executive Services \$6000 for "Investors Lead Generation" services;
- l. paid Shuman \$9,020 for "Investor Lead Lists";
- m. located new hosting companies for First Global's website after it was shut down;
- n. billed First Global at least \$320,000 for services rendered;
- o. continued to solicit and/or provide assistance to First Global for the solicitation and sale or attempted sale of First Global shares to investors;
- p. faxed a letter to the CNV requesting the revocation of the CNV order against First

Global dated September 19, 2006;

- q. provided names of Maitland shareholders to First Global which permitted these Maitland shareholders to be solicited by First Global representatives; and
- r. such other acts as counsel may advise and the Commission may permit.

23. Grossman either by himself or acting through Introvest has carried out acts in furtherance of the sale of First Global shares to the public and therefore has traded in shares of First Global contrary to sections 25 and 53 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act").

24. Grossman's activities constitute a breach of the temporary order of the Commission dated January 24, 2006.

25. Shuman carried out the following acts, solicitations or conduct in furtherance of trades of First Global shares to the public:

- a. spoke to investors concerning investing in First Global;
- b. sold names of potential investors including "Investor Lead Lists" to First Global;
- c. spoke by telephone to Maitland shareholders concerning an opportunity to trade in their Maitland shares for First Global shares;
- d. spoke by telephone to potential First Global investors concerning an opportunity to purchase First Global shares;
- e. advised investors that First Global's shares would be listed on a stock exchange and expected to increase in value;
- f. advised investors that he had invested in First Global and that First Global was a great

opportunity;

- g. arranged for couriers to pick up documents including subscription agreements and cheques from investors;
- h. arranged for couriers to deliver documents including share certificates, subscription invoices and First Global correspondence to investors;
- i. arranged for couriers to deliver documents and cheques to First Global in Panama and to First Global's bank in Panama;
- j. signed subscription agreements for First Global;
- k. solicited investors and/or provided support for the sale of First Global shares;
- l. directed investors to [www.firstglobalventures.com](http://www.firstglobalventures.com) for additional information on First Global;
- m. contacted Maitland shareholders to determine whether they would be interested in exchanging their Maitland shares for First Global shares;
- n. provided sales support to First Global salespersons and investors; and
- o. such other acts as counsel may advise and the Commission pay permit.

26. Shuman has carried out acts in furtherance of the sale of First Global shares to the public and therefore has traded in shares of First Global contrary to sections 25 and 53 of the Act.

27. The Respondents made representations regarding the future value of First Global shares and representations regarding the future listing of First Global shares on a stock exchange with the intention of effecting trades in First Global shares.

28. Marsh's activities constitute a breach of the temporary order of the Commission dated May 24, 2006.

### **NEW BRUNSWICK AND NEWFOUNDLAND & LABRADOR CEASE TRADE ORDERS RESPECTING FIRST GLOBAL AND GROSSMAN**

29. First Global and Grossman are subject to a temporary cease trade order issued by the NBSC on May 11, 2006 (the "NBSC Order"). The NBSC Order also provides that all trading in the securities of First Global and by First Global, its officers, directors, employees and/or agents shall cease.

30. On June 14, 2006, the NBSC made the NBSC Order permanent and ordered a hearing to determine whether an administrative penalty and costs should be ordered against First Global and Grossman.

31. On November 1, 2006, the NBSC issued a Supplementary Notice of Hearing adding Alan Marsh Shuman as a respondent in the NBSC proceeding and seeking certain relief against him.

32. On May 27, 2006, the Newfoundland and Labrador Superintendent of Securities ordered that First Global, Maitland and others are prohibited from trading in securities in the Province of Newfoundland and Labrador.

### **CONDUCT CONTRARY TO THE PUBLIC INTEREST**

33. First Global, Grossman and Shuman are not registered with the Commission in any capacity. First Global, Grossman and Marsh have traded in securities contrary to section 25 of the Act and contrary to the public interest.

34. No prospectus receipt has been issued to qualify the sale of First Global shares contrary to section 53 of the Act and contrary to the public interest.

35. First Global and its representatives including Grossman and Shuman have made misleading representations to investors, including representations regarding the future listing and future value of First Global shares with the intention of effecting sales of First Global shares contrary to section 38 of the Act and contrary to the public interest.

36. Grossman's activities constitute a breach of the ongoing Commission order issued against him on January 24, 2006 which order remains in effect.

37. First Global's activities after May 29, 2006 constitute a breach of the ongoing Commission order issued against First Global on May 29, 2006 which order remains in effect.

38. Shuman's activities after June 28, 2006 constitute a breach of the ongoing Commission order issued against him on June 28, 2006 which order remains in effect.

39. The Respondents used high-pressure sales tactics when selling First Global shares to the public contrary to the public interest.

40. By Commission order dated September 12, 2006, the Commission ordered First Global to post a copy of the Commission order dated September 12, 2006 prominently on the homepage of First Global's website. This order was never posted on First Global's website and First Global remains in breach of the Commission order dated September 12, 2006.

41. The conduct of the Respondents was contrary to the public interest and harmful to the integrity of the Ontario capital markets.

42. Such additional allegations as Staff may advise and the Commission may permit.

DATED at Toronto this 8<sup>th</sup> day of March, 2007