

IN THE MATTER OF: THE SECURITIES ACT

-and-

IN THE MATTER OF: DAVID LORNE PITCHER

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

**STAFF OF THE MANITOBA SECURITIES COMMISSION ALLEGE, AMONG
OTHER THINGS, THAT:**

A. STATEMENT OF FACTS

1. David Lorne Pitcher (“PITCHER”) is not now and never has been registered in any capacity under the provisions of *The Securities Act* (“Act”).
2. PITCHER founded “The” Community Endowment Fund Inc. (“CEF”) and was the Executive Director, operating mind and sole employee. The CEF was established as a non-profit organization to provide anti-crime initiatives for at risk youth.
3. PITCHER obtained bridge financing loans from investors, which included a bonus of up to 7.5% from CEF. In so doing, PITCHER utilized at least in part his persona as a former professional athlete.
4. In total, PITCHER raised millions of dollars from the investors, in what turned out to be an elaborate Ponzi scheme. In relation to this, PITCHER also later forged documents in an effort to appease investors.
5. PITCHER pled guilty in the Provincial Court of Manitoba (“court”) to seven (7) counts of fraud over \$5000 contrary to s.380(1)(a) of the Criminal Code of Canada (“CCC”), five (5) counts of uttering a forged document contrary to s.368(1)(a) of the CCC, and five (5) counts of using a forged document contrary to s.368(1)(a) of the CCC.
6. The charges before the court to which PITCHER pled guilty were as follows:

COUNT 1 – Court File: 555 - 49823

David Lorne PITCHER on or between the 1st day of December A.D. 2009 and the 30th day of June A.D. 2010 both dates inclusive at or near the City of Winnipeg in the Province of Manitoba, did knowingly use a forged document to wit: multiple emails purporting to be authored by Mathew Godfrey and correspondence dated January 1st 2010 purporting to originate from Bud Godfrey, as if they were genuine contrary to Section 368(1)(a) of the Criminal Code of Canada.

COUNT 3 – Court File: 555 - 49823

David Lorne PITCHER on or between the 1st day of August A.D. 2011 and the 30th day of September A.D. 2011 both dates inclusive at or near the City of Winnipeg in the Province of Manitoba, did knowingly use forged documents to wit: correspondence bearing Tapper Cuddy LLP letterhead dated August 11, 2011 and emails, all purporting to be authored by Brett Williams as if it was genuine contrary to Section 368(1)(a) of the Criminal Code of Canada.

COUNT 5 – Court File: 555 - 49823

David Lorne PITCHER on or between the 1st day of December A.D. 2009 and the 1st day of February A.D. 2010 both dates inclusive at or near the City of Winnipeg in the Province of Manitoba, did knowingly use a forged document to wit: correspondence bearing Government of Canada letterhead dated December 18, 2009 purporting to be from John Sims as if it was genuine contrary to Section 368(1)(a) of the Criminal Code of Canada.

(Note: Counts 2, 4, and 6 of original charges Court File: 555 – 49823 were stayed by the Crown)

COUNT 1 – Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of January A.D. 2005 and the 30th day of November A.D. 2007 both dates inclusive, at or near the City of Winnipeg in the Province of Manitoba, did unlawfully by deceit, falsehood or other fraudulent means defraud Adrian Van Monsjou and Allison Gorgichuk of monies of an amount exceeding five thousand dollars contrary to Section 380(1)(a) of the Criminal Code of Canada.

COUNT 3 – Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of January A.D. 2006 and the 30th day of October, 2007, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did unlawfully by deceit, falsehood or other fraudulent means defraud Kenneth Barry Talbot of monies of an amount exceeding five thousand dollars contrary to Section 380(1)(a) of the Criminal Code of Canada.

COUNT 6 – Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of December, 2006 and the 1st day of December, 2007, both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did unlawfully by deceit, falsehood or other fraudulent means defraud Richard Barry Talbot and TALBO HOLDINGS LTD., of monies of an amount exceeding five thousand dollars contrary to Section 380(1)(a) of the Criminal Code of Canada.

COUNT 9 – Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of May A.D. 2006 and the 1st day of November A.D. 2011 both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did unlawfully by deceit, falsehood or other fraudulent means defraud Douglas Ross Collins and 3603431 MANITOBA LTD., of monies of an amount exceeding five thousand dollars contrary to Section 380(1)(a) of the Criminal Code of Canada.

COUNT 12 - Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of October A.D. 2007 and the 30th day of August A.D. 2009 both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did unlawfully by deceit, falsehood or other fraudulent means defraud Brent Alexander McCrea and 1126112 ALBERTA LTD., of monies of an amount exceeding one million dollars contrary to Section 380(1)(a) of the Criminal Code of Canada.

COUNT 13 - Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of January A.D. 2007 and the 30th day of January A.D. 2012 both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did unlawfully by deceit, falsehood or other fraudulent means defraud George Robert Harms of monies of an amount exceeding five thousand dollars contrary to Section 380(1)(a) of the Criminal Code of Canada.

COUNT 14 – Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of January A.D. 2007 and the 30th day of January A.D. 2012 both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did unlawfully by deceit, falsehood or other fraudulent means defraud Daniel Boyd McCrea, Teresa McCrea, and TERESA MCCREA INVESTMENTS INC. of monies in an amount exceeding five million dollars contrary to Section 380(1)(a) of the Criminal Code of Canada.

COUNT 17 - Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of January A.D. 2007 and the 1st day of February A.D. 2007 both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did knowingly use a forged document to wit: an email dated January 18th 2007 purporting to be authored by Stacey Ault as if it was genuine contrary to Section 368(1)(a) of the Criminal Code of Canada.

COUNT 18 - Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of January A.D. 2007 and the 1st day of June A.D. 2008 both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did knowingly use forged documents to wit: correspondence dated March 2nd 2004 and February 15th, 2008 purporting to be authored by Christina Kucharski as if it was genuine contrary to Section 368(1)(a) of the Criminal Code of Canada.

COUNT 22 - Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of November A.D. 2008 and the 1st day of January A.D. 2011 both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did knowingly use a forged document to wit: multiple emails purporting to be authored by Ross Larsen as if they were genuine contrary to section 368(1)(a) of the Criminal Code of Canada.

COUNT 23 - Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of September A.D. 2010 and the 12th day of December A.D. 2010 both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did knowingly use a forged document to wit: correspondence bearing City of Winnipeg letterhead dated September 23rd 2010, and correspondence bearing City of Winnipeg letterhead specifying the location of construction of the Flatland Cable Park to be located on City of Winnipeg owned lands commonly referred to as the "snow dump", purporting to be authored by Phil Sheegl as if they were genuine contrary to section 368(1)(a) of the Criminal Code of Canada.

COUNT 25 - Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of October A.D. 2010 and the 31st day of October A.D. 2010 both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did knowingly use a forged document to wit: correspondence dated October 15th 2010 bearing Public-Private Partnerships (PPP) Canada letterhead and purporting to be authored by John McBride as if they were genuine contrary to section 368(1)(a) of the Criminal Code of Canada.

COUNT 26 - Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of November A.D. 2010 and the 30th day of December A.D. 2011 both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did knowingly use a forged document to wit: emails purporting to be authored by Gord Mackintosh as if they were genuine contrary to section 368(1)(a) of the Criminal Code of Canada.

COUNT 27 - Court File: 555 - 49311

David Lorne PITCHER, between the 1st day of December A.D. 2010 and the 30th day of December A.D. 2011 both dates inclusive, at or near the City of Winnipeg, in the Province of Manitoba, did knowingly use a forged document to wit: emails purporting to be authored by Mathew (Matt) Dryburgh as if they were genuine contrary to section 368(1)(a) of the Criminal Code of Canada.

(Note: Counts 2, 4, 5, 7, 8, 10, 11, 15, 16, 19-21, and 24 from the original charges Court File: 555 - 49311 were stayed by the Crown.)

7. On January 8, 2015, PITCHER was sentenced to six years concurrent imprisonment on each charge and \$145,000 in restitution.

B. ALLEGATIONS

1. Staff of the Commission allege that, due to these allegations it is in the public interest that, pursuant to section 148 of the Act, PITCHER be cease traded and, pursuant to subsection 19(5) of the Act, PITCHER not be entitled to use any of the exemptions set out in the Act and not be entitled to participate in the exempt markets in Manitoba in the future.
2. Such further and other matters as counsel may advise and the Commission may permit.

DATED at Winnipeg, Manitoba this 29th day of September, 2016.

Director

TO: DAVID LORNE PITCHER