

## ENFORCEMENT SUMMARY

### **In the Matter of *The Securities Act* and in the Matter of James Peter YAWORSKI (“YAWORSKI”)**

#### **Charges:**

YAWORSKI plead guilty in the Provincial Court of Manitoba to two (2) counts under *The Securities Act* of Manitoba (“Act”) of trading without registration contrary to s.6(1) of the Act in shares of Shopplex.com Corporation (“SHOPPLEX”) and to one (1) count under the Act of trading without registration contrary to s.6(1) of the Act in shares of Rhinosnot Canada Inc. (“RHINOSNOT”), being offences pursuant to s.136(1)(c) of the Act.

#### **Summary:**

The trading involved trading to two investors. YAWORSKI met with each and discussed buying shares in SHOPPLEX. Each of the investors was told the shares were about to increase substantially in value. YAWORSKI told one of the investors if a cheque was not given right away, the investor would miss out. The other investor provided a cheque for investment promptly after meeting with YAWORSKI. Both cheques were written to YAWORSKI and were deposited into an account of his. The investors were given either a handwritten receipt or an agreement. Neither of the investors received any shares. Both investors had repeatedly asked for their shares to be provided. One investor was told a dividend was coming, but neither the dividend nor the shares were ever provided. A subsequent review of SHOPPLEX records showed that investor had never been registered as such. Over the years, the other investor had continued to ask YAWORSKI where were the shares and the money and, eventually, was offered by YAWORSKI shares in RHINOSNOT for the SHOPPLEX shares paid for, but never received. Approximately four years after paying for the SHOPPLEX shares, the investor received shares in RHINOSNOT. The investor was later informed the RHINOSNOT companies were insolvent, had ceased operations, and that it would have been fraudulent for the shares to have even been registered, as RHINOSNOT had never received cash or an equivalent or services for the shares.

#### **Sentence:**

On June 29, 2017, the Honourable Judge Roller accepted a joint recommendation as to sentence and imposed a fine in the amount of \$30,000.00 and a two-year Probation Order including full restitution of \$50,000.00 to be paid by July 7, 2017 and a prohibition on being in the securities industry. Costs and surcharges of \$3,150.00 were also imposed.

The Manitoba Securities Commission  
January 12, 2018.