

**In the Matter of
*The Securities Act, 1988***

and

**In the Matter of
Summit International, PTE LTD**

**STATEMENT OF ALLEGATIONS
OF STAFF OF FINANCIAL AND CONSUMER AFFAIRS
AUTHORITY OF SASKATCHEWAN**

Staff of Financial and Consumer Affairs Authority of Saskatchewan (Staff of FCAA) make the following allegations:

The Respondents

1. The Respondent, Summit International, PTE LTD (Summit) holds itself out as an offshore commodity and forex trading firm, with an office located in Singapore. No corporate records have been located for Summit.

Contraventions of section 27(2) of *The Securities Act, 1988* (the Act)

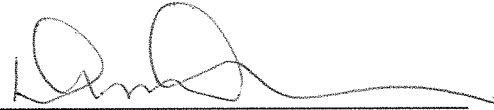
2. From in or around July 2015 to in or around January 2016, Summit acted as a dealer and an adviser by engaging in the business of trading in and advising on securities or exchange contracts or holding itself out as engaging in the business of trading in and advising on securities or exchange contracts in Saskatchewan. The details of such activities include, but are not limited to, the following:
 - a. In or around July 2015, an individual who identified himself as Brian O'Malley from Summit, contacted Investor 1, a resident of Prince Albert, Saskatchewan, via telephone and asked him if he was interested in shorting the U.S. dollar;
 - b. In or around July 2015, Summit sent Investor 1 an email, offering its services to Investor 1, and attaching a document entitled "Client Agreement". The email indicated that Summit "specializes in full-service options trading and has extensive experience in the energies, metals, grains and softs markets". Summit offered the services of a "qualified investment advisor", and suggested that "commodities will continue to offer outstanding investment opportunities and of

course, leverage and liquidity”. For further information, summit suggested that Investor 1 visit its website;

- c. From in or around July 2015 to in or around January 2016 Summit owned or maintained a website at <http://summitcfx.com> (the Website); and
 - d. The Website indicated that Summit is “an offshore commodity and forex trading firm” that offers “both fully-discretionary and non-discretionary accounts to commodity and forex traders in most countries of the world”. The Website states: “Opening an account with Summit International is easy. Simply download the risk disclosure and account application, fill it out and return by fax or e-mail. Fund your account and you are ready to trade.”.
3. In carrying out the acts indicated in paragraph 2, above, Summit engaged in actions, or held itself out as engaging in actions in furtherance of trades in securities or exchange contracts with or on behalf of members of the public, as well as Investor 1, and as such, acted as a ‘dealer’ as defined in the Act.
 4. Summit has never been registered as a ‘dealer’ as required by the Act, and therefore, has contravened clause 27(2)(a) of the Act.
 5. In carrying out the acts indicated in paragraph 2, above, Summit held itself out as engaging in the business of advising the public, as well as Investor 1, on securities or exchange contracts, and as such, acted as an ‘adviser’ as defined in the Act.
 6. Summit has never been registered as an ‘adviser’ as required by the Act, and therefore, has contravened clause 27(2)(b) of the Act.
 7. Investor 1 subsequently decided not to pursue any trading of securities or exchange contracts with or through Summit. Investor 1 did not open an account with or provide any funds to Summit.
 8. Based on the above, Staff of FCAA ask the hearing panel to consider whether it is in the public interest to make the following orders:
 - a. Pursuant to clause 134(1)(a) of the Act, all of the exemptions in Saskatchewan securities laws do not apply to Summit;
 - b. Pursuant to clause 134(1)(d) of the Act, Summit shall cease trading in any securities or exchange contracts in Saskatchewan;
 - c. Pursuant to clause 134(1)(d.1) of the Act, Summit shall cease acquiring securities or exchange contracts for and on behalf of residents of Saskatchewan;
 - d. Pursuant to clause 134(1)(e) of the Act, Summit shall cease giving advice respecting securities, trades or exchange contracts in Saskatchewan;

- e. Pursuant to section 135.1 of the Act, Summit shall pay an administrative penalty to the Financial and Consumer Affairs Authority of Saskatchewan, in the amount of \$10,000; and
- f. Pursuant to section 161 of the Act, the Respondents shall pay the costs of or relating to this hearing in this matter.

DATED at Regina, Saskatchewan, this 11th day of January, 2016.



Dean Murrison
Director,
Securities Division
Financial and Consumer Affairs Authority of
Saskatchewan