

Ontario Securities Commission Commission des valeurs mobilières de l'Ontario P.O. Box 55, 19<sup>th</sup> Floor 20 Queen Street West Toronto ON M5H 3S8 CP 55, 19e étage 20, rue queen ouest Toronto ON M5H 3S8

## IN THE MATTER OF THE SECURITIES ACT, RSO 1990, c S.5, AS AMENDED

## - AND -

## GROUND WEALTH INC., ARMADILLO ENERGY INC., PAUL SCHUETT, DOUG DEBOER, JAMES LINDE, SUSAN LAWSON, MICHELLE DUNK, ADRION SMITH, BIANCA SOTO AND TERRY REICHERT

## TEMPORARY ORDER Sections 127(1) & 127(5)

WHEREAS it appears to the Ontario Securities Commission (the "Commission") that:

- 1. Ground Wealth Inc. ("GWI") is an Ontario corporation that operates out of 766 Hespeler Road, Suite 301, Cambridge, Ontario ;
- 2. Armadillo Energy Inc. ("Armadillo") is a State of Nevada corporation;
- 3. Neither Armadillo nor GWI is a reporting issuer in Ontario;
- 4. Michelle Dunk ("Dunk") is the Vice-President, Director and Secretary of GWI, and resides in Ontario;
- 5. Adrion Smith ("Smith") is President and a Director of GWI, and resides in Ontario;
- 6. Bianca Soto ("Soto") is a salesperson for GWI;
- 7. Terry Reichert ("Reichert") is a salesperson for GWI;
- 8. Paul Schuett ("Schuett") is the President and Chief Executive Officer of Armadillo;
- 9. Doug DeBoer ("DeBoer") is the Chief Financial Officer and Financial Director of Armadillo ;
- 10. James Linde ("Linde") is the Chief Operating Officer and Operations Manager of Armadillo;
- 11. Susan Lawson ("Lawson") is the Corporate Secretary of Armadillo;

- 12. Neither Armadillo nor GWI has filed a preliminary prospectus or a prospectus and the Director has not issued a receipt in respect of these companies;
- 13. GWI, Armadillo, Schuett, DeBoer, Linde, Lawson, Dunk, Smith, Soto and Reichert (collectively, the "Respondents") have distributed, offered for sale, and sold to members of the public in Ontario, certificates evidencing an interest in oil (the "Armadillo Securities") that are "securities" as defined in the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act");
- 14. None of the Respondents is registered with the Commission in any capacity;
- 15. Staff are conducting an investigation into the trading of Armadillo Securities, and it appears that:
  - (i) The Respondents traded in Armadillo Securities without the necessary registration or an appropriate registration exemption, contrary to section 25 of the Act;
  - (ii) The Respondents distributed Armadillo Securities for which no preliminary prospectus or prospectus has been filed and no receipt has been issued by the Director, contrary to section 53(1) of the Act;
  - (iii) Soto and Reichert have advised clients without the necessary registration or an appropriate registration exemption, contrary to section 25 of the Act; and
  - (iv) Soto and Reichert have not collected appropriate know your client or investor suitability information, contrary to sections 13.1 and 13.2 respectively of NI 31-103 ("*Registration Requirements and Exemptions*"), and may not have dealt fairly, honestly and in good faith with the investors, contrary to section 2.1 of OSC Rule 31-505 ("*Conditions of Registration*").

**AND WHEREAS** the Commission is of the opinion that the time required to conclude a hearing could be prejudicial to the public interest as set out in s. 127(5) of the Act;

**AND WHEREAS** the Commission is of the opinion that it is in the public interest to make this order;

**AND WHEREAS** by Commission order made July 14, 2011 pursuant to section 3.5(3) of the Act, any one of Howard I. Wetston, James E. A. Turner, Kevin J. Kelly, James D. Carnwath, Mary G. Condon, Paulette L. Kennedy, Vern Krishna, Christopher Portner and Edward P. Kerwin, acting alone, is authorized to make orders under section 127 of the Act;

**IT IS ORDERED** pursuant to clause 2 of subsection 127(1) of the Act that all trading in the Armadillo Securities shall cease;

**IT IS FURTHER ORDERED** pursuant to clause 2 of subsection 127(1) of the Act that Armadillo, GWI, Schuett, DeBoer, Linde, Lawson, Dunk, Smith, Soto and Reichert cease trading in all securities; and

**IT IS FURTHER ORDERED** pursuant to subsection 127(6) of the Act that this order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission.

Dated at Toronto this 27<sup>th</sup> day of July, 2011

"Howard Wetston"