



IN THE MATTER OF: THE SECURITIES ACT

-and-

IN THE MATTER OF: DENNIS MALTHOUSE

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

**STAFF OF THE MANITOBA SECURITIES COMMISSION (the "Commission")
ALLEGE THAT:**

A. STATEMENT OF FACTS

1. At all material times, Dennis Malthouse ("Malthouse"), was a resident in the City of Winnipeg, in the Province of Manitoba.
2. At all material times, Malthouse was not registered to trade in securities under *The Securities Act of Manitoba*.
3. In 2014, D.T. and Malthouse worked in the same building and knew each other casually.
4. In or about January, 2014, Malthouse and D.T. had conversations where Malthouse told D.T. that he was managing money for his sister and other people and was doing well. Malthouse encouraged D.T. to invest with him.
5. Relying on the representations of Malthouse, D.T. agreed to invest money with him.
6. On January 18, 2014, D.T. provided, at Malthouse's direction, a Bank draft for \$50,000.00 payable to Malthouse Auto. D.T. understood these monies would be invested by Malthouse in mortgages and loans.
7. On February 10, 2014, D.T., at Malthouse's direction, wrote a cheque payable to Malthouse Auto for \$10,000.00 and also understood these monies would be invested by Malthouse in mortgages and loans.
8. On February 24, 2014, D.T., at Malthouse's direction, wrote a cheque payable to Malthouse Auto for \$20,000.00 and understood these monies would be invested by Malthouse in mortgages and loans.
9. On February 20, 2014, Malthouse provided D.T. a cheque for \$416.67. A notation on the cheque said "Interest on \$50,000 at 10% a year".

10. In total, Malthouse made payments of \$9,333.34 to D.T. during 2014. He has not made any further payments to D.T.
11. Malthouse has advised Commission Staff he used D.T.'s funds for a real estate venture and that the real estate venture was no longer a going concern.

B. COMPENSATION FOR FINANCIAL LOSS

The Director, Legal and Enforcement ("Director") of the Commission has received an application for a claim against Malthouse for compensation for financial loss in favour of D.T. The Director requests that the Commission order financial loss compensation to the claimant in an amount to be determined at or prior to the hearing.

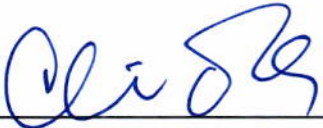
C. ALLEGATIONS

1. Staff of the Commission allege that Malthouse contravened subsection 6(1) of the Act by trading in securities without being registered and that due to these allegations:

- pursuant to subsection 19(5) of the Act Malthouse should not be entitled to use of any of the exemptions permitted by the Act and should not be entitled to participate in the exempt markets in the future;
- pursuant to subsection 148.1(1) of the Act Malthouse pay an administrative penalty;
- pursuant to section 148.2 of the Act Malthouse pay compensation for financial loss to D.T.; and
- pay costs of the investigation and hearing.

2. Such further and other matters as counsel may advise and that the Commission may permit.

DATED at the City of Winnipeg, in Manitoba this 13 day of January, 2023.



Director

TO: DENNIS MALTHOUSE