

**IN THE MATTER OF THE *SECURITIES ACT*,
R.S.O. 1990, c. S.5, AS AMENDED**

-and-

IN THE MATTER OF ALEXANDER DOLGONOS, THE ALEXANDER DOLGONOS SPOUSAL TRUST, TINA LIVCHITS, THE TINA LIVCHITS SPOUSAL TRUST, AYZIK DOLGONOS, THE AYZIK DOLGONOS SPOUSAL TRUST, KALINA DOLGONOS, THE KALINA DOLGONOS SPOUSAL TRUST, STEPHEN ROSEN, ALTHEA STEWART, THE ALTHEA STEWART SPOUSAL TRUST, ARON DAVID TRUSS, T.A. HOLDINGS INC., GERALD McGOEY AND THE JOLIAN TRUST

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

Staff of the Ontario Securities Commission (“Staff”) make the following allegations:

The Respondents

1. Unique Broadband Systems, Inc. (“UBS”) is a reporting issuer in Ontario. Its shares are listed and posted for trading on CDNX.
2. Staff are conducting an investigation into the affairs of UBS, including transactions involving the persons and companies described in paragraphs 3 to 17 (collectively, the “Dolgonos Group”).
3. Alexander Dolgonos is the founder of UBS, and was, until July, 2001, the President, Chief Executive Officer and Chairman of the Board of UBS. Alexander Dolgonos is a director of UBS.
4. The Alexander Dolgonos Spousal Trust is a Barbados trust which holds UBS shares. Staff’s investigation has not revealed the beneficial owner of the Alexander Dolgonos Spousal Trust.

5. Tina Livchits is Alexander Dolgonos' spouse and a former employee of UBS. Tina Livchits is the sole beneficiary of the Tina Livchits Spousal Trust.
6. The Tina Livchits Spousal Trust is a Barbados trust settled by Alexander Dolgonos; Tina Livchits is the sole beneficiary.
7. Ayzik Dolgonos is Alexander Dolgonos' father and a former employee of UBS.
8. The Ayzik Dolgonos Spousal Trust has or had three trading accounts in which it holds UBS shares. Staff's investigation has not revealed the beneficial owner of the Ayzik Dolgonos Spousal Trust.
9. Kalina Dolgonos is Alexander Dolgonos' mother, Ayzik Dolgonos' spouse and a former employee of UBS. Kalina Dolgonos is the sole beneficiary of the Kalina Dolgonos Spousal Trust.
10. The Kalina Dolgonos Spousal Trust is a Barbados trust settled by Ayzik Dolgonos; Kalina Dolgonos is the sole beneficiary.
11. Stephen Rosen was, until July, 2001, the Vice-President, Chief Financial Officer and a director of UBS.
12. Althea Stewart is Stephen Rosen's spouse and the sole beneficiary of the Althea Stewart Spousal Trust.
13. The Althea Stewart Spousal Trust is a Barbados trust settled by Stephen Rosen; Althea Stewart is the sole beneficiary.
14. Aron David Truss is a resident of Barbados and the Trustee of each of the Tina Livchits Spousal Trust, the Kalina Dolgonos Spousal Trust and the Althea Stewart Spousal Trust. Aron David Truss is a director of T.A. Holdings Inc.
15. T.A. Holdings Inc. is a Barbados company which was incorporated on December 5, 2001. Aron David Truss is the sole director of T.A. Holdings Inc.

16. Gerald McGoey is the President of Jolian Investments Limited and a trustee of the Jolian Trust.
17. The beneficiaries of the Jolian Trust are the children of Gerald McGoey.

Failure to Make Disclosure

18. Each of the members of the Dolgonos Group have had, or continue to have, direct ownership and/or control or direction over significant blocks of UBS shares.
19. Alexander Dolgonos, Tina Livchits, the Tina Livchits Spousal Trust, Stephen Rosen, Aron David Truss and T.A. Holdings Inc., failed to file insider reports in a timely fashion, and/or filed misleading and untrue insider reports, contrary to section 107 of the *Securities Act*, R.S.O. 1990, c. S.5 (the “Act”).
20. Alexander Dolgonos, the Tina Livchits Spousal Trust, and Aron David Truss failed to issue and file early warning news releases containing the information prescribed by regulations, and failed to file early warning reports within two business days or at all, contrary to section 101 of the Act.
21. In addition to failing to file early warning reports within the time required, and failing to issue and file early warning news releases at all, in contravention of section 101 of the Act, T.A. Holdings Inc. acquired shares in UBS in contravention of subsection 101(3) of the Act.
22. A preliminary prospectus dated May 5, 2000 and a prospectus dated June 13, 2000, both signed by Alexander Dolgonos and Stephen Rosen, failed to provide full, true and plain disclosure of the nature of their holdings of UBS shares, contrary to section 56 of the Act.
23. On November 19, 1999, cease trade orders were issued in respect of UBS shares by the British Columbia Securities Commission against Alexander Dolgonos and

Stephen Rosen for failure to file insider reports. The cease trade orders were revoked on November 24, 1999.

Conduct Contrary to the Public Interest

24. In failing to fulfil their disclosure obligations under sections 56, 101 and 107 of the Act, as set out at paragraphs 19 to 22, members of the Dolgonos Group failed to ensure that the market was and is apprised of accumulations and transfers of significant blocks of UBS shares, and have acted contrary to the public interest.
25. The members of the Dolgonos Group, including those not specifically named in paragraphs 19 to 24, have authorized, participated, permitted or acquiesced in the conduct described above.
26. The members of the Dolgonos Group have breached Ontario securities law and have acted contrary to the public interest.
27. Particularly in light of the late, misleading and untrue disclosure described above, further investigation is required to determine the nature of the accumulations and transfers, and to ascertain whether the members of the Dolgonos Group have engaged in further conduct which may cause continuing harm to investors, breach Ontario securities law and be contrary to the public interest.
28. Such further and other allegations as Staff may make and the Commission may permit.

DATED at Toronto, this 11th day of March, 2002.