

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

- AND -

IN THE MATTER OF DONALD PARKER

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

I. Background

1. Donald Parker is an individual resident in the city of Toronto in the province of Ontario. At the material time, Parker was the President and Chief Executive Officer of SmartSales Inc. (“SmartSales”), then a publicly listed company which traded on the Canadian Venture Exchange. Parker obtained his Certified Management Accountant designation in 1983.
2. Sheila Parker is married to Parker. Parker made the investment decisions with respect to his wife’s spousal RRSP account.
3. Roman Corporation Limited (“Roman”) was at all material times a reporting issuer within the meaning of subsection 1(1) of the *Securities Act*, R.S.O 1990, c. S. 5, as amended (the “Act”). Roman’s common shares are listed and posted for trading on the Toronto Stock Exchange.

4. The Chief Financial Officer, Vice-President and Secretary of Roman was also a director of SmartSales at the material time (the “CFO of Roman”). As a senior officer of Roman, the CFO of Roman was a “person in a special relationship” with Roman within the meaning of subsection 76(5) of the Act.
5. At the material time, Roman was a significant shareholder of SmartSales. Roman was also advancing loans to SmartSales, pursuant to a secured convertible debenture, and was SmartSales’s primary source of working capital and long-term financing.

II. Communication of Non-Public Material Fact/Change

6. The CFO of Roman frequently met with Parker to discuss SmartSales’s financing arrangements with Roman. The CFO of Roman was directly involved in assisting and advising Parker on the day-to-day operations of SmartSales and the structuring of any financing transactions.
7. On or about December 1, 2001, Parker attended a meeting with the CFO of Roman with respect to Roman’s financing of SmartSales at which he was advised by the CFO of Roman that Roman was negotiating an acquisition transaction with one of its customers and that SmartSales would need to obtain alternate financing as soon as possible in order to repay the Roman loans.
8. The CFO of Roman specifically advised Parker that the information about the acquisition transaction was material, inside information which was highly confidential (the “Material Fact/Change”) and could not be disclosed to anyone and also that he could not trade in the stock of Roman.

9. By virtue of Parker learning about the Material Fact/Change from the CFO of Roman, who he knew or ought reasonably to have known was a person in a special relationship with Roman, he was a “person in a special relationship” with Roman within the meaning of subsection 76(5).

III. Parker’s Trading

10. On February 26, 2002, at 3:40 p.m., Parker purchased 1000 shares of Roman on behalf of his wife in her spousal RRSP account at a price of \$1.50 per share.
11. At the time that Parker purchased the shares of Roman he was a person in a special relationship with Roman and had knowledge of the Material Fact/Change with respect to Roman that had not generally been disclosed.
12. On February 28, 2002, Parker sold 1000 shares of Roman on behalf of his wife at a price of \$2.40 per share and earned a profit of approximately \$900.00.

IV. Public Announcement of the Material Fact/Change

13. On February 26, 2002, at 7: 31 p.m. Roman issued a news release announcing that it had reached an agreement to acquire Boehmer and that the transaction was expected to close on March 1, 2002.

V. Conduct Contrary to the Act and the Public Interest

14. Parker’s trade in the shares of Roman, as described above, constituted a contravention of subsection 76(1) of the Act and was conduct contrary to the public interest.

15. Staff reserve the right to make such other allegations as Staff may advise and the Commission may permit.

Dated at Toronto this 14th day of April, 2004.