



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

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

**- AND -**

**IN THE MATTER OF GOLDPOINT RESOURCES CORPORATION,  
PASQUALINO NOVIELLI also known as Lee or Lino Novielli, BRIAN  
PATRICK MOLONEY also known as Brian Caldwell, and ZAIDA PIMENTEL  
also known as Zaida Novielli**

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

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

**THE RESPONDENTS**

1. Goldpoint Resources Corporation (“Goldpoint”) is an Ontario corporation that was incorporated on August 31, 2007.
2. Pasqualino Novielli, also known as Lee or Lino Novielli, (“Novielli”) is the sole registered director of Goldpoint and resides in Woodbridge, Ontario. Novielli is the President of Goldpoint.
3. Brian Patrick Moloney, also known as Brian Caldwell, (“Moloney”) was a directing mind of Goldpoint and was a director or officer of Goldpoint. The Goldpoint website listed a Mr. Patrick Moloney as the “Vice president Finance, Director”. Moloney was also in charge of the salespeople at Goldpoint. From August, 2007 to May, 2008 (the “Material Time”), Moloney resided in Toronto, Ontario.
4. Zaida Pimentel, also known as Zaida Novielli, (“Pimentel”) was the manager of certain employees at Goldpoint and, as such, was an officer of Goldpoint. In the alternative,

Pimentel was employed by and/or acted as an agent for Goldpoint and acted as a qualifier and salesperson for the sale of Goldpoint securities.

## **II. BACKGROUND**

### **• Trading in Securities of Goldpoint**

5. Staff allege that Goldpoint, Novielli, Moloney, and Pimentel (collectively the “Respondents”) traded securities of Goldpoint during the Material Time.
6. Throughout the Material Time, Goldpoint, Moloney, and Pimentel were not registered in any capacity with the Ontario Securities Commission (the “Commission”).
7. Novielli was registered with the Commission as a salesperson in the category of “mutual fund dealer”, while he worked for PFSL Investments Canada Ltd. The Commission suspended Novielli’s registration on May 14, 2008.
8. All of the trades in Goldpoint securities were trades in securities not previously issued and were therefore distributions. No preliminary prospectus or prospectus was filed and no receipts were issued for them by the Director to qualify the trading of Goldpoint securities.
9. Goldpoint purported to be a gold mining company. Throughout the Material Time, individuals, situated in premises in Ontario, under the direction of Novielli, Moloney and Pimentel, claimed to be employees, representatives or agents of Goldpoint and sold Goldpoint securities to investors.
10. Novielli, Moloney, Pimentel and other employees, representatives or agents of Goldpoint contacted investors or potential investors by phone, and often used aliases when speaking with investors or potential investors on the telephone. Some of the aliases used were: Richard Wylie, Robert Black, Vanessa Marra, Shaun Matthews, Brian Caldwell, Mike Ellis, Larry Richardson, and Anthony Francis.

11. Potential investors were sent information packages about Goldpoint by e-mail, facsimile or mail.
12. The Respondents traded securities of Goldpoint to residents of several Canadian provinces; however, the trades primarily were made to residents of Alberta, in circumstances where there were no exemptions available to the Respondents under the *Securities Act*, R.S.O. 1990, c. S. 5, as amended (the “Act”).
13. Novielli, Moloney, Pimentel, and other employees, representatives or agents of Goldpoint made representations or undertakings to potential investors and investors, with the intention of effecting trades. These included:
  - (a.) Representations that Goldpoint securities were about to be listed on a stock exchange; and,
  - (b.) Undertakings relating to the future value or price of the Goldpoint securities.
14. Goldpoint securities were sold to over 100 investors in exchange for over \$1.6 million being sent to Goldpoint.
15. After agreeing to invest, investors received a subscription agreement from Goldpoint. The subscription agreement set out the quantity, unit price and total amount of investment. Investors were instructed to make cheques payable to Goldpoint and to send the subscription agreement and cheques (the “Investment Package”) to an address in Toronto, Ontario. Goldpoint arranged for a courier service to pick up the Investment Package from investors. The address in Toronto was a virtual office run by Regus Business Centres where Goldpoint had an account (the “Virtual Office”).
16. The Investment Packages would then be retrieved from the Virtual Office by Moloney, Novielli or other employees, representatives or agents of Goldpoint and transported to the offices of Goldpoint.
17. Investors subsequently received a share certificate signed by Novielli for common shares in Goldpoint.

18. The investor funds were deposited into a bank account in the name of Goldpoint at the Royal Bank of Canada (the “Goldpoint RBC Account”). Novielli and Moloney were the two signatories on the Goldpoint RBC Account.
19. During the Material Time, over \$1,000,000 was transferred from the Goldpoint RBC Account to bank accounts controlled by Novielli and Moloney.

- **Fraudulent Conduct**

20. During the Material Time, Novielli, Moloney, Pimentel and other employees, representatives or agents of Goldpoint adopted high pressure sales approaches that included making prohibited representations and undertakings, as well as providing information to potential investors that was false, inaccurate and misleading, including, but not limited to, the following:
  - (a) that Goldpoint was about to go public and would be listed on a stock exchange;
  - (b) with respect to the business activities of Goldpoint;
  - (c) content on the Goldpoint website;
  - (d) with respect to assets held by Goldpoint;
  - (e) with respect to the location of the business premises; and,
  - (f) using false names and aliases when communicating with potential investors and investors.
21. The false, inaccurate and misleading representations and undertakings were made with the intention of effecting trades in the securities of Goldpoint.

22. Novielli, Moloney, Pimentel and other employees, representatives or agents of Goldpoint engaged in a course of conduct relating to securities that they knew or reasonably ought to have known would result in a fraud on investors.
23. Staff allege that Goldpoint was, for the majority of the Material Time, not carrying on any legitimate business operations and that its only significant source of funds was funds obtained from investors as a result of fraudulent conduct.
24. Novielli, Moloney and Pimentel, as directors or officers of Goldpoint, authorized, permitted or acquiesced in violations of Ontario securities laws that were committed by Goldpoint or by the employees, agents or representatives of Goldpoint.
25. On September 9, 2008, Pimentel made statements to Staff that she had never worked for Goldpoint. Staff allege that the statements were, in a material respect and at the time and in the light of the circumstances under which they were made, misleading or untrue. Staff allege that Pimentel misled Staff with respect to her involvement in the sales of securities of Goldpoint and her involvement in the operations of the Goldpoint offices.

### **III. STAFF'S ALLEGATIONS -- Conduct Contrary to Ontario Securities Law and Contrary to the Public Interest**

26. The specific allegations advanced by Staff are:
  - (a) During the Material Time, the Respondents engaged or participated in acts, practices or courses of conduct relating to Goldpoint securities that the Respondents knew or reasonably ought to have known perpetrated a fraud on persons or companies, contrary to section 126.1(b) of the Act and contrary to the public interest;
  - (b) During the Material Time, the Respondents traded in securities of Goldpoint without being registered to trade in securities, contrary to section 25(1)(a) of the Act and contrary to the public interest;

- (c) During the Material Time, the Respondents traded in securities of Goldpoint when a preliminary prospectus and a prospectus had not been filed and receipts had not been issued for them by the Director, contrary to section 53(1) of the Act and contrary to the public interest;
- (d) During the Material Time, Novielli, Moloney, Pimentel and employees, agents or representatives of Goldpoint made representations, without the written permission of the Director, with the intention of effecting a trade in securities of Goldpoint, that the Goldpoint securities would be listed on a stock exchange or quoted on any quotation and trade reporting system, contrary to section 38(3) of the Act and contrary to the public interest;
- (e) During the Material Time, Novielli, Moloney, Pimentel and employees, agents or representatives of Goldpoint gave undertakings, with the intention of effecting a trade in securities of Goldpoint, as to the future value or price of the securities of Goldpoint, contrary to section 38(2) of the Act and contrary to the public interest;
- (f) During the Material Time, Novielli, Moloney, and Pimentel, being directors or officers of Goldpoint, did authorize, permit or acquiesce in the commission of the violations of sections 126.1, 25, 53 and 38 of the Act, as set out above, by Goldpoint or by the employees, agents or representatives of Goldpoint, which constitute offences under subsection 122(1)(c) of the Act, contrary to sections 122(3) and 129.2 of the Act and contrary to the public interest; and,
- (g) On or about September 9, 2008, Pimentel made statements to Staff appointed to make an investigation or examination under the Act, during an examination conducted by Staff, that she had never worked for Goldpoint, that, in a material respect and at the time and in the light of the circumstances under which they were made, were misleading or untrue, contrary to section 122(1)(a) of the Act and contrary to the public interest.

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

**DATED** at Toronto, December 18, 2008.