

IN THE MATTER OF  
THE *SECURITIES ACT*, R.S.N.S. 1989, CHAPTER 418, AS AMENDED ("Act")

- and -

IN THE MATTER OF  
WAYNE J. BERRY ("Respondent")

**STATEMENT OF ALLEGATIONS OF THE DIRECTOR OF ENFORCEMENT  
FOR THE NOVA SCOTIA SECURITIES COMMISSION**

The Director of Enforcement for the Nova Scotia Securities Commission ("Commission") makes the following allegations:

**BACKGROUND:**

1. At all material times, Wayne J. Berry ("Berry") was resident of and/or conducted operations in Nova Scotia.
2. EnCharge Inc. is a body corporate, incorporated in the State of Nevada on February 26, 2009. Berry was an officer and director of EnCharge Inc. Berry also created EnCharge Inc. in the State of Delaware on June 11, 2009. The two corporations merged on July 10, 2009. The surviving corporation in the merger was EnCharge Inc., a Delaware corporation.
3. EnChargeCanada Corp. is a body corporate, incorporated under the Canada Business Corporations Act on June 23, 2009. Berry was also responsible for incorporating this company.
4. At all material times, Berry was an officer and director of EnCharge Inc., a Nevada corporation, and EnCharge Inc., a Delaware Corporation. He was a director of EnChargeCanada Corp (collectively "EnCharge").

**CONDUCT OF THE RESPONDENT:**

5. Beginning in or about 2008, Berry solicited and distributed securities of EnCharge from residents in Nova Scotia through word of mouth, personal invitation, and the internet.
6. Through personal invitation and word of mouth, Berry promoted various high yield returns for investments in the securities of EnCharge.
7. Berry promoted EnCharge as a technology-based enterprise risk and credit management solutions company and held it out as soon to be listed on various stock exchanges in Canada and the United States.

8. As a result of these solicitations and distributions, the Respondent received payment for a number of investments in the securities of EnCharge from Nova Scotia residents.
9. Payments for these investments were deposited into a TD Bank account at a branch located in Ottawa, Ontario in the name of Berry. Berry was the sole signatory on the account.
10. At all material times, Berry maintained control of the investors' funds.
11. In exchange for the investments in the securities of EnCharge, the investors were told they would receive shares in EnCharge. The investors did not receive any share certificates or any other documentation evidencing their investments in EnCharge.
12. The investors did not receive any of the promised returns or any returns at all from the Respondent nor did the Respondent return their principal investment.
13. EnCharge is not and never has been a reporting issuer in Nova Scotia or any other Canadian jurisdiction.
14. Neither the Respondent nor EnCharge were registered to trade or distribute securities at any time or in any capacity with the Commission or any other Canadian jurisdiction.
15. No prospectus or preliminary prospectus was filed with the Commission for EnCharge nor was any receipt for same issued by the Commission.
16. Neither the Respondent nor EnCharge filed any reports of trades with the Commission relying on exemptions in Nova Scotia securities laws to distribute securities in Nova Scotia.
17. Such additional allegations as the Director of Enforcement for the Commission may submit and the Commission may permit.

**VIOLATIONS:**

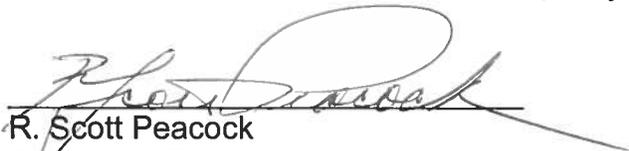
The Director of Enforcement for the Commission identifies the following reasons why the order being sought should be granted:

18. As a result of soliciting investments from and distributing securities to residents of Nova Scotia, without being registered to do so, the Respondent violated section 31(1)(a) of the Act, as rep. by R.S.N.S. 2008, c. 32, s. 6 (proclaimed in force 28 September 2009) and section 31(1) of the Act.
19. As a result of advising residents of Nova Scotia with respect to investments in the securities of EnCharge, the Respondent violated section 31(1)(c) of the Act, as

rep. by R.S.N.S. 2008, c. 32, s. 6 (proclaimed in force 28 September 2009) and section 31(2) of the Act.

20. As a result of failing to disclose in sufficient detail the risks associated with investing in the securities of EnCharge, the Respondent engaged in unfair practice with residents of Nova Scotia, thereby violating section 44A(2) of the Act.
21. As a result of promoting a high yield program, the Respondent made untrue statements to residents of Nova Scotia that a reasonable investor would consider material in deciding whether to enter into or maintain a trading relationship with the Respondent, thereby violating section 50(2) of the Act.
22. As a result of holding out to the public that EnCharge will soon be a public company listed on various stock exchanges in Canada and the United States with the intention of effecting a trade in the securities of EnCharge, the Respondent violated section 44(3) of the Act.
23. As a result of distributing securities of EnCharge to residents of Nova Scotia without having filed a prospectus or preliminary prospectus with the Commission and without relying on any exemptions in Nova Scotia securities laws, the Respondent violated section 58(1) of the Act.
24. The Respondent's conduct was contrary to the public interest and undermined investor confidence in the fairness and efficiency of the capital markets.

**DATED** at Halifax, Nova Scotia, this 27 day of November, 2012.

  
R. Scott Peacock  
Director of Enforcement  
Nova Scotia Securities Commission  
Enforcement Branch