

Citation: 2017 BCSECCOM 105

Settlement Agreement

Godwin Ifeanyi Ude

Securities Act, RSBC 1996, c. 418

- ¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director) and Godwin Ifeanyi Ude (Ude) agree as follows:

Agreed Statement of Facts

Background

1. Ude resides in Surrey, British Columbia. He has never been registered under the Act.
2. Ude formed an investors group called Integrity Wealth Builder's Group (IWBG). He also created and maintained a website called drgoddie.com that the IWBG, and the public, used.
3. Through the newsletters he published to the IWBG, and on the website, Ude promoted and recommended high-yield investment program (HYIP) securities to investors. He expected to receive commissions from the HYIPs for referring investors to the HYIPs.
4. Ude used the aliases Dr. Goddie and Dr. Goddie Ude when he wrote, published, and disseminated the IWBG newsletters and when he wrote on the website.

Misconduct

5. Between April 2011 and May 2013, Ude advertised, solicited, and acted in furtherance of trades of eight HYIPs.
6. In the newsletters, and on the website, Ude:
 - (a) advertised the HYIPs;
 - (b) told investors that it was in their best interest to invest in the HYIPs;
 - (c) provided detailed instructions on how to invest in the HYIPs; and

- (d) offered to and assisted investors with questions they had with respect to investing in the HYIPs.
7. The HYIPs paid commissions to persons who referred investors to them. The commission was a percentage of the amount invested by the investor. Ude:
- (a) instructed investors to ensure that, on their investment application, his name “drgude” appeared as the person who referred them to the HYIP; and
- (b) embedded hyperlinks in the IWBG newsletters and the drgoddie.com website that directed potential investors to the HYIP’s own websites; the hyperlinks identified him as the referring party.
8. Ude’s activities in furtherance of the trades of the HYIP securities were frequent and regular, and were done with the expectation of compensation. Ude was in the business of trading and was required to be registered under the Act.
9. By engaging in the business of trading without registration and without any available exemptions, Ude contravened section 34(a) of the Act.

Mitigating Factors

10. Ude cooperated with Commission staff throughout their investigation.
11. Ude took down his website, and stopped publishing IWBG newsletters after Commission staff cautioned him about the risks associated with promoting HYIPs because they are dangerous investment schemes with a high potential for investor harm.
12. There is no evidence of investor losses or complaints associated with Ude’s trading nor is there any evidence that he profited from his misconduct.

Public Interest

13. Ude’s conduct, as described in this Settlement Agreement, is contrary to the public interest.
14. It is in the public interest that the Executive Director issue orders under section 161 of the Act.

Undertakings

15. Ude undertakes to:

- (a) pay \$5,000 to the British Columbia Securities Commission in respect of the settlement of this matter, which sum is due and payable immediately without further demand; and
- (b) inform all members of IWBG that high returns mean high risk, and to direct them to the British Columbia Securities Commission investor education tool at <https://www.investright.org/about-us/about-investright/> to protect investors against unsuitable investments.

Order

¶ 2 The Executive Director will issue an order (the Order) that:

- 1. under section 161(1)(a) of the Act, Ude will comply with Act, the Securities Rules, and any applicable regulations;
- 2. under section 161(1)(b)(ii) of the Act, Ude cease trading in, and be prohibited from purchasing, any securities, except that he may trade in securities through one account in his own name through a registrant if he first provides a copy of the Order to the registrant;
- 3. under section 161(1)(d)(ii) of the Act, Ude is prohibited from becoming or acting as a director or officer of any issuer or registrant;
- 4. under section 161(1)(d)(iii) of the Act, Ude is prohibited from acting as a registrant or promoter;
- 5. under section 161(1)(d)(iv) of the Act, Ude is prohibited from acting in a management or consultative capacity in connection with activities in the securities market; and
- 6. under section 161(1)(d)(v) of the Act, Ude is prohibited from engaging in investor relations activities;

for a period of 5 years from the date of this agreement.

Consent to Regulatory Orders

¶ 3 Ude consents to a regulatory order, made by any provincial or territorial securities regulatory authority in Canada, containing any or all of the Orders set out in paragraph 2 above.

Waiver

¶ 4 Ude waives any right he may have, under the Act or otherwise, to a hearing, hearing and review, judicial review, or appeal related to, in connection with, or incidental to this settlement.

Counterpart

¶ 5 This Settlement Agreement may be executed in counterpart or by facsimile execution and all such counterparts of executed copies or faxed copies shall be read or construed together as if they formed one originally executed document.

¶ 6 March 23, 2017

¶ 7 Godwin Ifeanyi Ude
Godwin Ifeanyi Ude

Kris Pechet)

Witness Signature)

Kris Pechet)

Witness Name (please print))

200 – 668 Carnarvon Street)

New Westminster, BC V3M 5Y6)

Address)

Barrister & Solicitor)

Occupation)

¶ 8 March 27, 2017

Peter J. Brady

¶ 9 Peter J. Brady
Executive Director