

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of

PETITION FOR ORDER

E-HOLDING LTD. a/k/a WORLD
OWNERS INSTANT PAYMENT, and
RICHARD GILCHRIST,
Respondents.

File No. S-209706(EX)

The staff of the State of Wisconsin, Department of Financial Institutions, Division of Securities (“the Division”), has conducted an investigation in this matter pursuant to § 551.602, Wis. Stats., and as a result thereof alleges as follows:

1. According to information posted on the website of World Owners Instant Payment (“WOIP”), WOIP is a high yield investment program provided by E-Holding Ltd. (E-Holding), a fictitious entity claiming to be corporation organized in Canada. According to the Ontario Ministry of Corporate Services, there is no such corporation registered in Ontario. The last known business address of E-Holding is 181 Queen Street, PO Box 3440, Station “C”, Ottawa, ON K1Y 1E4, Canada.
2. Upon information and belief, an individual identified as Richard Gilchrist (“Gilchrist”) was at all times material hereto a WOIP senior executive who conducted question-and-answer sessions regarding WOIP on the website woip-news.com. The only known address of Gilchrist is that of E-Holding. The woip-news.com website has been suspended and is no longer accessible.
3. Upon information and belief, during 2009 Respondents sold to at least one person in Wisconsin interests in the WOIP high yield investment program in which WOIP purports to pay investors 1% interest per day on their investments, generated from its business of making loans at 1.6% interest per day.
4. According to an Internet discussion board for investors interested in high yield investment programs at italkcash.com, the WOIP strategy is described as follows:

“By making a deposit in WOIP you enter a stable and secured automated savings program, established by Canadian E-Holding Ltd and insured by E-Holding reserve funds in NOVA SCOTIA (Canada) and HSBC (USA). Not limited to E-Holding origins, WOIP as an exclusive online venture that is available worldwide. We do not claim unrealistic figures. With our unique approach to savings and loan operations and fully automated service we are able to deliver: 1% daily dividend to our customers. This profit figure is constant and will always remain such. Daily earned dividend is added to our customers’ balances, resulting in progressive compound rates and: daily recapitalization. Since WOIP is an automated system, not requiring any manual operations – any amount from your balance is available for: withdrawal at any time, including weekends and holidays. We strongly encourage word-of-mouth advertising and we collaborate with our customers, asking them to recommend us whenever appropriate. If you are a satisfied customer of WOIP and you happen to have a webpage or just a blog – you can turn that into a good source of profit, by informing your friends and visitors. Every day we will be adding to your balance an equal of: 10 percent of all your partners’ daily income. Further details can be found here. ...”

5. According to an Internet website hosted by the Financial Services Commission of Gibraltar (FSC), the FSC issued a warning to the public on September 15, 2008 regarding E-Holding, trading as WOIP, which claimed to be based in Canada with an office in Gibraltar. The FSC warning said it detected a website on which E-Holding/WOIP described itself as a high yield investment program which appeared to be carrying out an investment business and/or a credit institution. The warning further stated that E-Holding/WOIP was not incorporated or registered in Gibraltar, has never been regulated by the FSC, and was not licensed under the Financial Services (Investment & Fiduciary Services) Act or the Financial Services (Banking) Act. It also noted that E-Holding/WOIP stated on its website that its 'European Branch' was situated in Gibraltar, however, the address given was that of a public institution in Gibraltar, and the post office box address was registered to an unrelated business in Gibraltar. In light of the above information, the FSC urged the public to exercise appropriate caution in respect of that entity. A true and accurate copy of this warning is attached hereto as Exhibit 1.

6. Investors did not receive the profits as described in its website and the discussion board from their investment in WOIP.

7. An investment in the WOIP investment program constituted an investment contract, and therefore a security defined by § 551.102(28)(d), Wis. Stats.

8. The WOIP investment contracts have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

9. All Respondents violated § 551.301, Wis. Stats., by offering and selling unregistered securities to at least one person in Wisconsin.

10. The Respondents misrepresented to investors that E-Holding was a legal entity incorporated in Canada with offices in Gibraltar, and that the investment would return a constant profit of 1% per day.

11. By their conduct as alleged in ¶10, the Respondents each violated § 551.501(2), Wis. Stats., in making untrue statements of material fact in connection with the offer or sale of a security.

12. Division staff requested specific information and documents from the Respondents about their securities-related transactions, but to date have received no response, despite the due date for the response having passed.

Therefore, the staff of the Division petitions the Administrator of the Division of Securities for the issuance of the attached Orders pursuant to Ch. 551, Wis. Stats.

Dated this 22nd day of December, 2011.



Mark E. Dorman
Examiner
Bureau of Enforcement



Leslie M. Van Buskirk
Attorney Supervisor
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