



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22e étage
20, rue queen ouest
Toronto ON M5H 3S8

File No.: 2017-4

**IN THE MATTER OF DENNIS L. MEHARCHAND
and VALT.X HOLDINGS INC.**

MOTION
OF STAFF OF THE ONTARIO SECURITIES COMMISSION
(Cease Trade Order under Subsection 127(1) of the Securities Act, R.S.O. 1990, c S.5)

A. ORDER SOUGHT

The Moving Party, Staff of the Ontario Securities Commission (**Staff**), requests that the Ontario Securities Commission (the **Commission**) make the following orders that:

1. Pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the *Securities Act*, RSO 1990, c S.5, as amended (the **Act**), that (Dennis L. Meharchand (**Meharchand**) and Valt.X Holdings Inc. (**Valt.X Holdings**) are prohibited from trading in or acquiring any securities pending the release of the sanctions decision in this matter;
2. Pursuant to paragraph 3 of subsection 127(1) of the Act, that any exemptions contained in Ontario securities law do not apply to Meharchand and Valt.X Holdings pending the release of the sanctions decision in this matter; and
3. such further orders as the Commission considers appropriate.

B. GROUNDS

The grounds for the request are:

1. A decision on the merits in this matter was made on October 19, 2018 (the **Decision**).

2. In the Decision, the Commission found that,
 - (a) The respondents distributed securities of Valt.X Holdings without a prospectus and without an available exemption contrary to subsection 53(1) of the Act;
 - (b) The respondents were engaged in the business of trading securities without being registered, contrary to subsection 25(1) of the Act; and
 - (c) Meharchand perpetrated a fraud on investors contrary to subsection 126.1(b) of the Act.
3. Since the release of the Decision, the Respondents have continued to solicit investments on the www.valtx.com website.
4. Since the conclusion of the evidence in this matter on May 31, 2018, the Respondents have continued to solicit investments to investors by email.
5. Staff relies upon the following rules and statutory provisions:
 - (a) Rule 28 of the *OSC Rules of Procedures and Forms*; and
 - (b) Paragraphs 2, 2.1 and 3 of subsection 127(1) of the Act.
6. Such further and other grounds as Staff may advise and the Commission may permit.

C. EVIDENCE

Staff intend to rely on the following evidence at the hearing:

1. The Decision;
2. The Affidavit of Daniella Kozovski sworn October 26, 2018; and

3. such further and other materials as counsel may advise and the Commission may permit.

DATED this 26th day of October, 2018.

Staff of the Enforcement Branch
Ontario Securities Commission
20 Queen Street West, Suite 2200
Toronto, Ontario M5H 3S8