



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
JOSE L. CASTANEDA**

ORDER

(Section 127)

WHEREAS a temporary cease trade order was issued against the Respondent on June 7, 2005 and extended on June 20, 2005 until the hearing is concluded and a decision of the Commission is rendered or until the Commission considers appropriate;

AND WHEREAS on June 20, 2005, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing (the "Notice of Hearing") accompanied by a Statement of Allegations issued by Staff of the Commission pursuant to sections 127 and 127.1 of the Securities Act, R.S.O. 1990 c. S. 5, as amended (the "Act") in respect of Jose L. Castaneda (the "Respondent");

AND WHEREAS the pre-hearing conference for this matter scheduled for January 11, 2006, was adjourned with the consent of both parties to February 27, 2006, at 10:00 a.m.;

AND WHEREAS the matter was spoken to on February 27, 2006, at 10:00 a.m., at which time the Respondent requested and Staff consented to the adjournment of this matter until April 13, 2006 at 10:00 a.m., to allow counsel for the Respondent an opportunity to review the disclosure previously provided by Staff;

AND WHEREAS the matter was spoken to on April 13, 2006, at which time a hearing was scheduled for May 30, 2006, in order for the Respondent to bring an application to adjourn the section 127 and 127.1 hearing until the conclusion of the section 122 proceedings;

AND WHEREAS the matter was spoken to on May 30, 2006, at which time the matter was adjourned to July 25, 2006 in order for the Respondent to bring an application to adjourn the section 127 and 127.1 hearing until the conclusion of the section 122 proceedings;

AND WHEREAS on July 25, 2006 the matter was rescheduled to July 26, 2006;

AND WHEREAS on July 26, 2006, the matter was adjourned to December 5-7, 2006 at 10 a.m. to proceed with the section 127 and 127.1 hearing;

AND WHEREAS the Respondent has since been charged with two counts of fraud over \$5,000 and two counts of theft over \$5,000 under the *Criminal Code of Canada* that involve some of the same complainants as the sections 122, 127 and 127.1 proceedings under the Act;

AND WHEREAS the *Criminal Code of Canada* charges are still before the Ontario Court of Justice with a next appearance date of December 21, 2006;

AND WHEREAS on October 30, 2006, the Ontario Court of Justice set a trial date of May 22-24, 2007 for the Respondent in relation to the section 122 proceedings;

AND WHEREAS the Respondent wishes to adjourn the section 127 and 127.1 hearing until the conclusion of the section 122 proceedings

AND WHEREAS Staff consent to the adjournment request;

AND WHEREAS the Commission considers it to be in the public interest to make this order;

IT IS HEREBY ORDERED that:

1. The section 127 and 127.1 hearing currently set for December 5-7, 2006 at 10 a.m. is vacated and this matter is adjourned to be spoken to on May 28, 2007 or on an earlier date as directed by the Commission.

DATED at Toronto this 30th day of November, 2006.

“Wendell S. Wigle”

“David L. Knight”

Wendell S. Wigle

David L. Knight