



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor
20 Queen Street West
Toronto ON M5H 3S8

CP 55, 19^e étage
20, rue queen ouest
Toronto ON M5H 3S8

**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 Jose L. Castaneda (the "Respondent") on June 7, 2005 and extended on June 20, 2005 until the hearing is concluded and a decision of the Ontario Securities Commission (the "Commission") is rendered or until the Commission considers appropriate;

AND WHEREAS on June 20, 2005, 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 the Respondent with the next appearance on this matter in front of the Commission scheduled for July 22, 2005;

AND WHEREAS on July 22, 2005, the matter was adjourned to October 19, 2005 but subsequently rescheduled to October 7, 2005;

AND WHEREAS on October 7, 2005, the matter was adjourned to January 11, 2006;

AND WHEREAS on December 19, 2005, Staff of the Commission issued an Amended Statement of Allegations pursuant to sections 127 and 127.1 of the Act;

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 proceedings brought by the Commission against the Respondent pursuant to sections 122 of the Act;

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 was 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 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 on November 30, 2006, the Respondent requested that the section 127 and 127.1 hearings scheduled for December 5-7, 2006 be vacated and the matter adjourned until May 28, 2007 by which time the section 122 proceedings in the Ontario Court of Justice would be complete;

AND WHEREAS on May 10, 2007, the Respondent pled guilty in the Ontario Court of Justice in relation to the section 122 proceedings;

AND WHEREAS on May 28, 2007, the matter was adjourned to September 6, 2007 to await completion of the section 122 proceedings;

AND WHEREAS on September 6, 2007, the matter was adjourned to October 26, 2007 to await completion of the section 122 proceedings and the Criminal Code proceedings;

AND WHEREAS on October 24, 2007 the Respondent was found guilty to both charges in the section 122 proceedings and a single charge of fraud over \$5,000 under the Criminal Code of Canada by a judge of the Ontario Court of Justice;

AND WHEREAS on October 24, 2007 the sentencing hearing of the Respondent in the Ontario Court of Justice was adjourned until January 14, 2008;

AND WHEREAS on October 26, 2007, the matter was adjourned to January 16, 2008 to await completion of the section 122 proceedings and the Criminal Code proceedings;

AND WHEREAS on January 14, 2008 the sentencing hearing of the Respondent in the Ontario Court of Justice was adjourned until January 18, 2008;

AND WHEREAS on January 16, 2008 the matter was adjourned to February 19, 2008 to await the completion of the sentencing hearing of the Respondent in the Ontario Court of Justice;

AND WHEREAS on January 18, 2008 the sentencing hearing of the Respondent in the Ontario Court of Justice was completed;

AND WHEREAS Staff wish to adjourn the section 127 and 127.1 hearing until receipt of the written ruling of the Ontario Court of Justice and the Respondent is not opposed to this adjournment;

IT IS HEREBY ORDERED that this matter is adjourned to be spoken to on March 27, 2008 at 10:00 a.m. or on such date as directed by the Commission;

DATED at Toronto on this 20th day of February, 2008.

“Wendell S. Wigle”

“Suresh Thakrar”

Wendell S. Wigle, Q.C.

Suresh Thakrar