



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

**MAITLAND CAPITAL LTD., ALLEN GROSSMAN,
HANOUCHE ULFAN, LEONARD WADDINGHAM,
RON GARNER, GORD VALDE, MARIANNE HYACINTHE,
DIANA CASSIDY, RON CATONE, STEVEN LANYS, ROGER MCKENZIE,
TOM MEZINSKI, WILLIAM ROUSE and JASON SNOW**

**ORDER
Section 127**

WHEREAS on January 24, 2006, the Ontario Securities Commission (the "Commission") ordered pursuant to subsection 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") that forthwith for a period of 15 days from the date thereof: (a) all trading by Maitland Capital Ltd. ("Maitland") and its officers, directors, employees and/or agents in securities of Maitland shall cease; (b) the Respondents cease trading in all securities; and (c) any exemptions in Ontario securities law do not apply to the Respondents (the "Temporary Order");

AND WHEREAS pursuant to subsections 127(1) and 127(5) of the *Act*, a hearing was scheduled for February 8, 2006 at 2:00 p.m. (the "Hearing");

AND WHEREAS on February 8, 2006, Staff filed the affidavit of Sabine Dobell sworn February 2, 2006 and the affidavit of Bryan Gourlie sworn November 7, 2005 in support of Staff's request to extend the Temporary Order;

AND WHEREAS on February 28, 2006, the Commission ordered pursuant to subsection 127(7) of the *Act* that: (a) the Hearing is adjourned to April 19, 2006 at 9:30 a.m.; and (b) the Temporary Order is extended until April 19, 2006;

AND WHEREAS on April 19, 2006, the Commission ordered pursuant to subsection 127(7) of the *Act* that: (a) the Hearing is adjourned to May 29, 2006; (b) the Temporary Order is extended until May 29, 2006; and (c) Staff provide disclosure to the Respondents by April 28, 2006;

AND WHEREAS on May 29, 2006, the Commission ordered pursuant to subsection 127(7) of the *Act* that: (a) the Hearing is adjourned to June 28, 2006; and (b) the Temporary Order is extended until June 28, 2006;

AND WHEREAS counsel for Maitland and Allen Grossman ("Grossman"), counsel for Hanoch Ulfan ("Ulfan") and counsel for Steven Lanys did not oppose an extension of the Temporary Order;

AND WHEREAS Tom Mezinski and William Rouse have not appeared although duly served with the Temporary Order, the Notice of Hearing and Statement of Allegations as evidenced by the affidavits of service filed as exhibits in this proceeding;

AND WHEREAS Marianne Hyacinthe appeared before the Commission on February 8, 2006 and received a copy of the Order dated February 8, 2006 but did not appear before the Commission on February 28, 2006, April 19, 2006, May 29, 2006, June 28, 2006 or September 12, 2006 although served with notice of this proceeding;

AND WHEREAS Staff has advised that two Respondents, namely Ron Catone and Jason Snow, have never been located and have never been served in this matter notwithstanding attempts at service as evidenced by the affidavits of attempted service filed as exhibits in this proceeding;

AND WHEREAS on May 19, 2006, the Commission authorized the commencement of a section 122 proceeding in the Ontario Court of Justice against Grossman, Ulfan and Maitland;

AND WHEREAS Maitland, Grossman and Ulfan brought applications returnable September 12, 2006 to adjourn the section 127 proceeding against Grossman, Ulfan and Maitland pending completion of the section 122 proceeding;

AND WHEREAS on September 12, 2006, Ulfan and Grossman undertook not to act as an officer or director of either a reporting issuer or a registrant until the conclusion of the section 127 proceedings and the Commission ordered: (i) the hearing is adjourned until judgment is rendered in the section 122 proceeding; (ii) the Temporary Order is extended until the conclusion of the hearing; and (iii) a hearing shall be scheduled within four to eight weeks of judgment being rendered in the section 122 proceeding;

AND WHEREAS on March 23, 2011, Justice Sparrow of the Ontario Court of Justice found Grossman, Ulan and Maitland guilty on 10 counts of breaching Ontario securities laws;

AND WHEREAS on May 4, 2011, Justice Sparrow of the Ontario Court of Justice sentenced Grossman and Ulfan each to 21 months in jail and two years of probation for breaches of Ontario securities laws and fined Maitland \$1 million;

AND WHEREAS on May 27, 2011, Staff amended the Notice of Hearing and Statement of Allegations to rely upon previous decisions of the Alberta Securities Commission, the Saskatchewan Financial Services Commission and the Ontario Court of Justice involving Maitland and some of the Respondents;

AND WHEREAS all the Respondents except Ulfan, Jason Snow, Ron Catone, William Rouse, Tom Mezinski and Marianne Hyacinthe have been duly served with the Amended Notice of Hearing and Amended Statement of Allegations dated May 27, 2011 as evidenced by the affidavits of service filed in this proceeding;

AND WHEREAS Staff have advised that these proceedings will be discontinued against Jason Snow, Ron Catone, Roger McKenzie and Marianne Hyacinthe;

AND WHEREAS on June 28, 2011, Diana Cassidy, Ron Garner, counsel for Leonard Waddingham, counsel for Steven Lanys and Staff all appeared before the Commission and Staff provided each of these Respondents with further disclosure (the "Disclosure");

AND WHEREAS Staff advised that Staff is conducting ongoing settlement discussions with Gord Valde and that Staff is engaging in ongoing discussions regarding agreed statements of facts with Leonard Waddingham, Ron Garner and Diana Cassidy;

AND WHEREAS Staff intend to serve and file written submissions on Grossman and Maitland by July 29, 2011 setting out the final Order under subsection 127(10) sought against Grossman, Ulfan and Maitland and to conduct this portion of the hearing in writing;

AND WHEREAS by Commission order made February 15, 2011 pursuant to section 3.5(3) of the *Act*, any one of Howard I. Wetston, James E. A. Turner, Kevin J. Kelly, James D. Carnwath, Mary G. Condon, Vern Krishna, Christopher Portner and Edward P. Kerwin, acting alone, is authorized to make orders under section 127 of the *Act*;

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

IT IS ORDERED that the title of proceeding be amended to change “Hanouch Ulfan” to “Hanoch Ulfan”;

IT IS FURTHER ORDERED that:

- (a) the Disclosure provided by Staff shall not be used or disseminated except for the purpose of making full answer and defence to Staff’s Statement of Allegations and any appeal therefrom and shall not be used for any collateral or ulterior purpose;
- (b) the Disclosure will not be copied except for the purpose of enabling the Respondents to make full answer and defence in this proceeding; and
- (c) on completion of this proceeding and any appeal, the unrepresented Respondents will return to Staff the Disclosure and any and all hard copies of documents from the Disclosure made by them; and

IT IS FURTHER ORDERED that:

- (a) the Hearing in respect of Grossman, Ulfan and Maitland to consider whether an order should be made against them under subsection 127(10) of the *Act* shall proceed in writing;
- (b) Staff of the Commission will serve and file its written submissions on this portion of the hearing or before July 29, 2011; and
- (c) Grossman, Maitland and Ulfan will serve and file any responding submissions by September 1, 2011;

IT IS FURTHER ORDERED that the Hearing in respect Leonard Waddingham, Diana Cassidy and Ron Garner is adjourned to September 2, 2011 at 10:00 a.m. to consider a possible agreed statement of facts and appropriate sanctions; and

IT IS FURTHER ORDERED that the Hearing in respect of Steven Lanys, William Rouse and Tom Mezinski is adjourned to September 2, 2011 at 10:00 a.m. to set a hearing date.

Dated at Toronto this 28th day of June, 2011

“Mary G. Condon”

Mary G. Condon