



Ontario  
Securities  
Commission

Commission des P.O. Box 55, 19<sup>th</sup> Floor  
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de l'Ontario Toronto ON M5H 3S8

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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  
SEXTANT CAPITAL MANAGEMENT INC.,  
SEXTANT CAPITAL GP INC., OTTO SPORK, KONSTANTINOS  
EKONOMIDIS, ROBERT LEVACK AND NATALIE SPORK**

**ORDER  
(Sections 127 and 127.1 of the Act)**

**WHEREAS** on May 12, 2010, the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing, pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) (the “Notice of Hearing”) in connection with an Amended Statements of Allegations filed by Staff of the Commission (“Staff”) on April 1, 2010, to consider whether it is in the public interest to make certain orders against Sextant Capital Management Inc. (“SCMI”), Sextant Capital GP Inc. (“**Sextant GP**”) (collectively, the “**Corporate Respondents**”), Otto Spork (“**Spork**”), Konstantinos (Dino) Ekonomidis (“**Ekonomidis**”) and Natalie Spork (collectively, the “**Individual Respondents**”; together with the Corporate Respondents, the “**Respondents**”) and Robert Levack;

**AND WHEREAS** on June 11, 2010, Staff filed an Amended Amended Statement of Allegations;

**AND WHEREAS** on June 1, 2010, the Commission approved a settlement agreement between Staff and Levack;

**AND WHEREAS** the Commission held the hearing on the merits which began in June, 2010 and continued over the course of approximately 16 days until December, 2010;

**AND WHEREAS** on May 17, 2011, the Commission issued its Reasons and Decision on the merits in this matter (the “**Merits Decision**”);

**AND WHEREAS** the Commission is satisfied that Spork, SCMI and Sextant GP carried out a fraudulent investment scheme, that the Respondents breached their duties as investment fund managers, that the Corporate Respondents failed to maintain proper books and records and that by engaging in such conduct the Respondents have not complied with Ontario securities law and have acted contrary to the public interest, as described in the Merits Decision;

**AND WHEREAS** on April 18, 2012, the Commission held a hearing with respect to the sanctions and costs to be imposed in this matter;

**AND WHEREAS** the Commission is of the opinion that it is in the public interest to make this order;

**IT IS ORDERED THAT:**

1. With respect to the Corporate Respondents:

- (a) Pursuant to clause 1 of subsection 127(1) of the *Act*, SCMI's registration under the *Act* is terminated;
- (b) Pursuant to clause 2 of subsection 127(1) of the *Act*, SCMI and Sextant GP shall cease trading in securities permanently;
- (c) Pursuant to clause 2.1 of subsection 127(1) of the *Act*, the acquisition of any securities by each of SCMI and Sextant GP is prohibited permanently; and
- (d) Pursuant to clause 3 of subsection 127(1) of the *Act*, any exemptions contained in Ontario securities law do not apply to each of SCMI and Sextant GP permanently.

2. With respect to Otto Spork:

- (a) Pursuant to clause 1 of subsection 127(1) of the *Act*, Spork's registration under the *Act* is terminated;
- (b) Pursuant to clause 2 of subsection 127(1) of the *Act*, Spork shall cease trading in securities permanently;
- (c) Pursuant to clause 2.1 of subsection 127(1) of the *Act*, the acquisition of any securities by Spork is prohibited permanently;
- (d) Pursuant to clause 3 of subsection 127(1) of the *Act*, any exemptions contained in Ontario securities law do not apply to Spork permanently;

- (e) Pursuant to clause 6 of subsection 127(1) of the *Act*, Spork is hereby reprimanded;
- (f) Pursuant to clauses 7, 8.1, and 8.3 of subsection 127(1) of the *Act*, Spork shall resign all positions that he may hold as director or officer of an issuer, registrant or investment fund manager;
- (g) Pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, Spork is prohibited permanently from becoming or acting as director or officer of any issuer, registrant or investment fund manager;
- (h) Pursuant to clause 8.5 of subsection 127(1) of the *Act*, Spork is prohibited permanently from becoming or acting as a registrant, as an investment fund manager, or as a promoter;
- (i) Pursuant to clause 9 of subsection 127(1) of the *Act*, Spork shall pay an administrative penalty in the amount of \$1,000,000, to be allocated to or for the benefit of third parties pursuant to subsection 3.4(2)(b) of the *Act*;
- (j) Pursuant to clause 10 of subsection 127(1) of the *Act*, Spork shall disgorge \$6,350,000, obtained as a result of his non-compliance with Ontario securities law, to be allocated to or for the benefit of third parties pursuant to subsection 3.4(2)(b) of the *Act*;
- (k) Pursuant to section 127.1 of the *Act*, Spork shall pay \$350,000 representing approximately 80% of the costs.

3. With respect to Dino Ekonomidis:

- (a) Pursuant to clause 1 of subsection 127(1) of the *Act*, Ekonomidis' registration under the *Act* is terminated;
- (b) Pursuant to clause 2 of subsection 127(1) of the *Act*, Ekonomidis cease trading in securities for ten (10) years;
- (c) Pursuant to clause 2.1 of subsection 127(1) of the *Act*, the acquisition of any securities by Ekonomidis is prohibited for ten (10) years;
- (d) Pursuant to clause 3 of subsection 127(1) of the *Act*, any exemptions contained in Ontario securities law do not apply to Ekonomidis for ten (10) years;
- (e) Pursuant to clause 6 of subsection 127(1) of the *Act*, Ekonomidis is hereby reprimanded;
- (f) Pursuant to clauses 7, 8.1, and 8.3 of subsection 127(1) of the *Act*, Ekonomidis shall resign all positions that he may hold as director or officer of an issuer, registrant or investment fund manager;

- (g) Pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, Ekonomidis be prohibited for ten (10) years from becoming or acting as director or officer of any issuer, registrant or investment fund manager;
- (h) Pursuant to clause 8.5 of subsection 127(1) of the *Act*, Ekonomidis be prohibited for ten (10) years from becoming or acting as a registrant, as an investment fund manager, or as a promoter;
- (i) Pursuant to clause 9 of subsection 127(1) of the *Act*, Ekonomidis shall pay an administrative penalty in the amount of \$250,000, to be allocated to or for the benefit of third parties pursuant to subsection 3.4(2)(b) of the *Act*;
- (j) Pursuant to clause 10 of subsection 127(1) of the *Act*, Ekonomidis shall disgorge \$250,000, obtained as a result of his non-compliance with Ontario securities law, to be allocated to or for the benefit of third parties pursuant to subsection 3.4(2)(b) of the *Act*;
- (k) Pursuant to section 127.1 of the *Act*, Ekonomidis shall pay \$65,000 representing approximately 15% of the costs.

4. With respect to Natalie Spork:

- (a) Pursuant to clause 1 of subsection 127(1) of the *Act*, Natalie Spork's registration under the *Act* is terminated;
- (b) Pursuant to clause 8.5 of subsection 127(1) of the *Act*, Natalie Spork is prohibited for three (3) years from becoming a registrant under the *Act*;
- (c) Pursuant to clause 2 of subsection 127(1) of the *Act*, Natalie Spork cease trading in securities for three (3) years;
- (d) Pursuant to clause 2.1 of subsection 127(1) of the *Act*, the acquisition of any securities by Natalie Spork is prohibited for three (3) years;
- (e) Pursuant to clause 3 of subsection 127(1) of the *Act*, any exemptions contained in Ontario securities law do not apply to Natalie Spork for three (3) years;
- (f) Pursuant to clause 6 of subsection 127(1) of the *Act* Natalie Spork is hereby reprimanded;
- (g) Pursuant to clause 7 of subsection 127(1) of the *Act*, Natalie Spork shall resign all positions a director or officer of an issuer;
- (h) Pursuant to clauses 8 and 8.2 of subsection 127(1) of the *Act*, Natalie Spork is prohibited for five (5) years from becoming or acting as director or officer of any issuer or registrant;

- (i) Pursuant to clause 9 of subsection 127(1) of the *Act*, Natalie Spork shall pay an administrative penalty in the amount of \$50,000, to be allocated to or for the benefit of third parties pursuant to subsection 3.4(2)(b) of the *Act*;
- (j) Pursuant to clause 10 of subsection 127(1) of the *Act*, Natalie Spork shall disgorge \$140,000, obtained as a result of his non-compliance with Ontario securities law, to be allocated to or for the benefit of third parties pursuant to subsection 3.4(2)(b) of the *Act*;
- (k) Pursuant to section 127.1 of the *Act*, Natalie Spork shall pay \$20,000 representing approximately 5% of the costs.

**DATED** at Toronto this 1<sup>st</sup> day of June, 2012.

“James D. Carnwath”  
James D. Carnwath , Q.C.