



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 SIMPLY WEALTH FINANCIAL GROUP INC.,
NAIDA ALLARDE, BERNARDO GIANGROSSO,
K&S GLOBAL WEALTH CREATIVE STRATEGIES INC., KEVIN PERSAUD,
MAXINE LOBBAN and WAYNE LOBBAN**

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

WHEREAS on February 16, 2011, 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*”), in relation to a Statement of Allegations filed by Staff of the Commission (“Staff”) in respect of Simply Wealth Financial Group Inc. (“Simply Wealth”), Naida Allarde (“Ms. Allarde”), Bernardo Giangrosso (“Mr. Giangrosso”), K&S Global Wealth Creative Strategies Inc. (“K&S”), Kevin Persaud (“Mr. Persaud”), Maxine Lobban (“Ms. Lobban”) and Wayne Lobban (“Mr. Lobban”) (collectively, the “Respondents”);

AND WHEREAS on March 16, 2011, Staff filed an Amended Statement of Allegations;

AND WHEREAS the Commission conducted the hearing on the merits in this matter January 3, 4 and 13, 2012;

AND WHEREAS the Commission issued its Reasons and Decision on the merits in this matter on June 21, 2012 (*Re Simply Wealth Financial Group Inc.* (2012), 35 O.S.C.B. 6007 (the “Merits Decision”));

AND WHEREAS the Commission is satisfied that the Respondents have not complied with Ontario securities law and have not acted in the public interest, as outlined in the Merits Decision;

AND WHEREAS the Commission conducted a hearing with respect to sanctions and costs on November 27, 2012 and December 5, 2012;

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

IT IS HEREBY ORDERED that:

1. With respect to Simply Wealth:
 - (a) pursuant to clause 2 of subsection 127(1) of the *Act*, Simply Wealth is prohibited from trading in securities for five years;
 - (b) pursuant to clause 2.1 of subsection 127(1) of the *Act*, Simply Wealth is prohibited from acquiring securities for five years;
 - (c) pursuant to clause 3 of subsection 127(1) of the *Act*, exemptions in Ontario securities law do not apply to Simply Wealth for five years; and
 - (d) pursuant to clause 10 of subsection 127(1) of the *Act*, Simply Wealth shall jointly and severally together with Ms. Allarde and Mr. Giangrosso, disgorge to the Commission \$215,790 obtained as a result of its non-compliance with Ontario securities law, which shall be designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b) of the *Act*.
2. With respect to K&S:
 - (a) pursuant to clause 2 of subsection 127(1) of the *Act*, K&S is prohibited from trading in securities for five years;
 - (b) pursuant to clause 2.1 of subsection 127(1) of the *Act*, K&S is prohibited from acquiring securities for five years;
 - (c) pursuant to clause 3 of subsection 127(1) of the *Act*, exemptions in Ontario securities law do not apply to K&S for five years; and
 - (d) pursuant to clause 10 of subsection 127(1) of the *Act*, K&S shall, jointly and severally together with Mr. Persaud, disgorge to the Commission \$90,000 obtained as a result of its non-compliance with Ontario securities law, which shall be designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b) of the *Act*.

3. With respect to Naida Allarde:

- (a) pursuant to clause 2 of subsection 127(1) of the *Act*, Ms. Allarde is prohibited from trading in securities for a period of five years, except that, once Ms. Allarde has fully satisfied the terms of subparagraphs 3(g) and (h) below, she may trade in securities for the account of any registered retirement savings plans and/or any registered retirement income funds as defined in the *Income Tax Act* (“RRSPs”) in which she and/or her spouse have sole legal and beneficial ownership, provided that:
 - (i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund that is a reporting issuer;
 - (ii) she does not own legally or beneficially, in the aggregate or together with her spouse, more than one percent of the outstanding securities of the class or series of the class in question; and
 - (iii) she carries out any permitted trading through a registered dealer, which dealer must be given a copy of this order, and through accounts opened in her name only and must close any trading accounts that are not in her name only;
- (b) pursuant to clause 2.1 of subsection 127(1) of the *Act*, Ms. Allarde is prohibited from acquiring securities for a period of five years, except that, once Ms. Allarde has fully satisfied the terms of subparagraphs 3(g) and (h), below, she may trade securities for the account of any RRSPs in which she and/or her spouse have sole legal and beneficial ownership, on and subject to the conditions referred to in subparagraphs 3(a)(i) to (iii) of this order;
- (c) pursuant to clause 3 of subsection 127(1) of the *Act*, exemptions in Ontario securities law do not apply to Ms. Allarde for a period of five years, except as necessary to permit the trading authorized under subparagraphs 3(a) or (b) of this order;
- (d) pursuant to clause 6 of subsection 127(1) of the *Act*, Ms. Allarde is reprimanded;
- (e) pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the *Act*, Ms. Allarde is ordered to resign any positions she holds as a director or officer of any issuer, registrant or investment fund manager;
- (f) pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, Ms. Allarde is prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for five years;
- (g) pursuant to clause 9 of subsection 127(1) of the *Act*, Ms. Allarde shall pay to the Commission an administrative penalty of \$15,000 as a result of her non-compliance with Ontario securities law;

- (h) pursuant to clause 10 of subsection 127(1) of the *Act*, Ms. Allarde shall, jointly and severally together with Simply Wealth and Mr. Giangrosso, disgorge to the Commission \$215,790.00 obtained as a result of her non-compliance with Ontario securities law; and
- (i) the amounts referred to in each of subparagraphs 3(g) and (h) of this order shall be designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b) of the *Act*.

4. With respect to Bernardo Giangrosso:

- (a) pursuant to clause 2 of subsection 127(1) of the *Act*, Mr. Giangrosso is prohibited from trading in securities for a period of five years, except that, once Mr. Giangrosso has fully satisfied the terms of subparagraphs 4(g) and (h), below, he may trade securities for the account of any RRSPs in which he and/or his spouse have sole legal and beneficial ownership, provided that:
 - (i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund that is a reporting issuer;
 - (ii) he does not own legally or beneficially, in the aggregate or together with his spouse, more than one percent of the outstanding securities of the class or series of the class in question; and
 - (iii) he carries out any permitted trading through a registered dealer, which dealer must be given a copy of this order, and through accounts opened in his name only and must close any trading accounts that are not in his name only;
- (b) pursuant to clause 2.1 of subsection 127(1) of the *Act*, Mr. Giangrosso is prohibited from acquiring securities for a period of five years, except that, once Mr. Giangrosso has fully satisfied the terms of subparagraphs 4(g) and (h), below, he may trade securities for the account of any RRSPs in which he and/or his spouse have sole legal and beneficial ownership, on and subject to the conditions referred to in subparagraphs 4(a)(i) to (iii) of this order;
- (c) pursuant to clause 3 of subsection 127(1) of the *Act*, exemptions in Ontario securities law do not apply to Mr. Giangrosso for a period of five years, except as necessary to permit the trading authorized under subparagraphs 4(a) or (b) of this order;
- (d) pursuant to clause 6 of subsection 127(1) of the *Act*, Mr. Giangrosso is reprimanded;

- (e) pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the *Act*, Mr. Giangrosso is ordered to resign any positions he holds as a director or officer of any issuer, registrant or investment fund manager;
- (f) pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, Mr. Giangrosso is prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for five years;
- (g) pursuant to clause 9 of subsection 127(1) of the *Act*, Mr. Giangrosso shall pay to the Commission an administrative penalty of \$15,000 as a result of his non-compliance with Ontario securities law;
- (h) pursuant to clause 10 of subsection 127(1) of the *Act*, Mr. Giangrosso shall, jointly and severally together with Simply Wealth and Ms. Allarde, disgorge to the Commission \$215,790.00 obtained as a result of his non-compliance with Ontario securities law; and
- (i) the amounts referred to in each of subparagraphs 4(g) and (h) of this order shall be designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b) of the *Act*.

5. With respect to Kevin Persaud:

- (a) pursuant to clause 2 of subsection 127(1) of the *Act*, Mr. Persaud is prohibited from trading in securities for a period of five years, except that, once Mr. Persaud has fully satisfied the terms of subparagraphs 5(g), (h) and (i), below, he may trade securities for the account of any RRSPs, registered education savings plan or tax-free savings account as defined in the *Income Tax Act* in which he and/or his spouse have sole legal and beneficial ownership, provided that:
 - (i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund that is a reporting issuer;
 - (ii) he does not own legally or beneficially, in the aggregate or together with his spouse, more than one percent of the outstanding securities of the class or series of the class in question; and
 - (iii) he carries out any permitted trading through a registered dealer, which dealer must be given a copy of this order, and through accounts opened in his name only and must close any trading accounts that are not in his name only;
- (b) pursuant to clause 2.1 of subsection 127(1) of the *Act*, Mr. Persaud is prohibited from acquiring securities for a period of five years, except that, once Mr. Persaud has fully satisfied the terms of subparagraphs 5(g), (h) and (i), he may trade securities for the account of any RRSPs in which he and/or his spouse have sole

legal and beneficial ownership, on and subject to the conditions referred to in subparagraphs 5(a)(i) to (iii) of this order;

- (c) pursuant to clause 3 of subsection 127(1) of the *Act*, exemptions in Ontario securities law do not apply to Mr. Persaud for a period of five years, except as necessary to permit the trading authorized under subparagraphs 5(a) or (b) of this order;
- (d) pursuant to clause 6 of subsection 127(1) of the *Act*, Mr. Persaud is reprimanded;
- (e) pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the *Act*, Mr. Persaud is ordered to resign any positions he holds as a director or officer of any issuer, registrant or investment fund manager;
- (f) pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, Mr. Persaud is prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for five years;
- (g) pursuant to clause 9 of subsection 127(1) of the *Act*, Mr. Persaud shall pay to the Commission an administrative penalty of \$15,000 as a result of his non-compliance with Ontario securities law;
- (h) pursuant to clause 10 of subsection 127(1) of the *Act*, Mr. Persaud shall, jointly and severally together with K&S, disgorge to the Commission \$90,000.00 obtained as a result of his non-compliance with Ontario securities law;
- (i) pursuant to section 127.1 of the *Act*, Mr. Persaud shall pay costs incurred by the Commission in relation to the hearing of this matter in the amount of \$11,121.25; and
- (j) the amounts referred to in each of subparagraphs 5(g) and (h) of this order shall be designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b) of the *Act*.

6. With respect to Maxine Lobban:

- (a) pursuant to clause 2 of subsection 127(1) of the *Act*, Ms. Lobban is prohibited from trading in securities for a period of five years, except that, once Ms. Lobban has fully satisfied the terms of subparagraphs 6(g) and (h), below, she may trade securities for the account of any RRSPs in which she and/or her spouse have sole legal and beneficial ownership, provided that:
 - (i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund that is a reporting issuer;

- (ii) she does not own legally or beneficially, in the aggregate or together with her spouse, more than one percent of the outstanding securities of the class or series of the class in question; and
 - (iii) she carries out any permitted trading through a registered dealer, which dealer must be given a copy of this order, and through accounts opened in her name only and must close any trading accounts that are not in her name only;
- (b) pursuant to clause 2.1 of subsection 127(1) of the *Act*, Ms. Lobban is prohibited from acquiring securities for a period of five years, except that, once Ms. Lobban has fully satisfied the terms of subparagraphs 6(g) and (h), below, she may trade securities for the account of any RRSPs in which she and/or her spouse have sole legal and beneficial ownership, on and subject to the conditions referred to in subparagraphs 6(a)(i) to (iii) of this order;
 - (c) pursuant to clause 3 of subsection 127(1) of the *Act*, exemptions in Ontario securities law do not apply to Ms. Lobban for a period of five years, except as necessary to permit the trading authorized under subparagraphs 6(a) or (b) of this order;
 - (d) pursuant to clause 6 of subsection 127(1) of the *Act*, Ms. Lobban is reprimanded;
 - (e) pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the *Act*, Ms. Lobban is ordered to resign any positions she holds as a director or officer of any issuer, registrant or investment fund manager;
 - (f) pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, Ms. Lobban is prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for five years;
 - (g) pursuant to clause 9 of subsection 127(1) of the *Act*, Ms. Lobban shall pay to the Commission an administrative penalty of \$15,000 as a result of her non-compliance with Ontario securities law;
 - (h) pursuant to clause 10 of subsection 127(1) of the *Act*, Ms. Lobban shall, jointly and severally together with Wayne Lobban, disgorge to the Commission \$120,427.50 obtained as a result of her non-compliance with Ontario securities law; and
 - (i) the amounts referred to in each of subparagraphs 6(g) and (h) of this order shall be designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b) of the *Act*.

7. With respect to Wayne Lobban:

- (a) pursuant to clause 2 of subsection 127(1) of the *Act*, Mr. Lobban is prohibited from trading in securities for a period of five years, except that, once Mr. Lobban has fully satisfied the terms of subparagraphs 7(g) and (h), below, he may trade securities for the account of any RRSPs in which he and/or his spouse have sole legal and beneficial ownership, provided that:
 - (i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund that is a reporting issuer;
 - (ii) he does not own legally or beneficially, in the aggregate or together with his spouse, more than one percent of the outstanding securities of the class or series of the class in question; and
 - (iii) he carries out any permitted trading through a registered dealer, which dealer must be given a copy of this order, and through accounts opened in his name only and must close any trading accounts that are not in his name only);
- (b) pursuant to clause 2.1 of subsection 127(1) of the *Act*, Mr. Lobban is prohibited from acquiring securities for a period of five years, except that, once Mr. Lobban has fully satisfied the terms of subparagraphs 7(g) and (h), he may trade securities for the account of any RRSPs in which he and/or his spouse have sole legal and beneficial ownership, on and subject to the conditions referred to in subparagraphs 7(a)(i) to (iii) of this order;
- (c) pursuant to clause 3 of subsection 127(1) of the *Act*, exemptions in Ontario securities law do not apply to Mr. Lobban for a period of five years, except as necessary to permit the trading authorized under subparagraphs 7(a) or (b) of this order;
- (d) pursuant to clause 6 of subsection 127(1) of the *Act*, Mr. Lobban is reprimanded;
- (e) pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the *Act*, Mr. Lobban is ordered to resign any positions he holds as a director or officer of any issuer, registrant or investment fund manager;
- (f) pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, Mr. Lobban is prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for five years;
- (g) pursuant to clause 9 of subsection 127(1) of the *Act*, Mr. Lobban shall pay to the Commission an administrative penalty of \$15,000 as a result of his non-compliance with Ontario securities law;

- (h) pursuant to clause 10 of subsection 127(1) of the *Act*, Mr. Lobban shall, jointly and severally together with Maxine Lobban, disgorge to the Commission \$120,427.50 obtained as a result of his non-compliance with Ontario securities law; and
- (i) the amounts referred to in each of subparagraphs 7(g) and (h) of this order shall be designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b) of the *Act*.

Dated this 9th day of January, 2013.

“James D. Carnwath”

James D. Carnwath, Q.C.