



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

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**FILE NO.:** 2017-13

**IN THE MATTER OF  
BENEDICT CHENG, FRANK SOAVE,  
JOHN DAVID ROTHSTEIN and ERIC TREMBLAY**

Mark J. Sandler, Commissioner and Chair of the Panel

August 31, 2018

**ORDER**

(Subsection 127(1) and section 127.1 of the  
*Securities Act*, RSO 1990, c S.5)

WHEREAS on August 31, 2018, the Ontario Securities Commission held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario, to consider the Application made jointly by Eric Tremblay (**Tremblay** or the **Respondent**) and Staff of the Commission for approval of a settlement agreement dated August 29, 2018 (the **Settlement Agreement**);

ON READING the Amended Statement of Allegations dated October 26, 2017 and the Joint Application Record for a Settlement Hearing, including the Settlement Agreement, and on hearing the submissions of the representatives for Staff and the Respondent, and considering that the \$125,000 administrative penalty and \$10,000 for costs payable by the Respondent have been received by the Commission in accordance with the terms of the Settlement Agreement;

IT IS ORDERED THAT:

1. the Settlement Agreement is approved;
2. the Respondent is prohibited from trading in any securities or derivatives and from acquiring any securities for a period of 2 years from the date of the Order, pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the Act;
3. any exemptions contained in Ontario securities law shall not apply to the Respondent for a period of 2 years from the date of the Order, pursuant to paragraph 3 of subsection 127(1) of the Act;
4. the Respondent shall resign any positions that he holds as a director or officer of an issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;
5. the Respondent is prohibited from becoming or acting as a director or officer of any issuer for a period of 2 years from the date of the Order, pursuant to paragraph 8 of subsection 127(1) of the Act;
6. the Respondent shall resign any positions that he holds as a director or officer of a registrant, pursuant to paragraph 8.1 of subsection 127(1) of the Act;

7. the Respondent is prohibited from becoming or acting as a director or officer of a registrant for a period of 2 years from the date of the Order, pursuant to paragraph 8.2 of subsection 127(1) of the Act;
8. the Respondent shall resign any positions that he holds as a director or officer of an investment fund manager, pursuant to paragraph 8.3 of subsection 127(1) of the Act;
9. the Respondent is prohibited from becoming or acting as a director or officer of an investment fund manager for a period of 2 years from the date of the Order, pursuant to paragraph 8.4 of subsection 127(1) of the Act;
10. the Respondent is prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter for a period of 2 years from the date of the Order, pursuant to paragraph 8.5 of subsection 127(1) of the Act;
11. Notwithstanding any other provision contained in the Order, the Respondent is permitted to:
  - a. personally trade and/or acquire mutual funds, Exchange Traded Funds, government bonds and/or Guaranteed Investment Certificates for the account of any Registered Retirement Savings Plan ("RRSP"), Registered Retirement Income Fund ("RRIF"), Registered Education Savings Plan ("RESP") and Tax Free Savings Account ("TFSA"), as defined in the *Income Tax Act*, R.S.C. 1985, c.1, as amended, in which he and/or his children and/or his spouse have sole legal and beneficial ownership, solely through a registered dealer in Alberta, to whom Tremblay must have given a copy of the Order;
  - b. retain the services of one or more independent, arms-length dealer/portfolio manager(s) who are registered in accordance with Alberta securities law, to trade and/or acquire securities in any RRSP, RRIF, RESP and/or TFSA, on Tremblay's behalf, provided that:
    - i. the respective dealer/portfolio manager(s) is provided with a copy of the Order prior to trading or acquiring securities on Tremblay's behalf;
    - ii. the respective dealer/portfolio manager(s) has sole discretion over what trades and acquisitions may be made in the account and Tremblay has no direction or control over the selection of specific securities;
    - iii. Tremblay is permitted to have annual discussions with the respective registered dealer/portfolio manager(s) for the sole purpose of Tremblay providing information regarding general investment objectives, suitability and risk tolerance or as required under Canadian securities law; and
    - iv. Tremblay may change registered dealer/portfolio manager(s), subject to the conditions set out above, with notice to the Commission of any such change to be filed by Tremblay within 30 days of making such change; and
  - c. within 60 days from the date of the Order, and with notice to the Commission, dispose of such securities which are not held in Tremblay's RRSP, RRIF, RESP and/or TFSA as described in subparagraph 11(a) above or otherwise transfer management of any such securities to a discretionary account as described in subparagraph 11(b) above.

12. the Respondent shall pay an administrative penalty in the amount of \$125,000.00, pursuant to paragraph 9 of subsection 127(1) of the Act, which shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act; and

13. the Respondent shall pay costs of the investigation in the amount of \$10,000.00, pursuant to section 127.1 of the Act.

*"Mark J. Sandler"*

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Mark J. Sandler