



Ontario
Securities
Commission
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Commission des
valeurs mobilières
de l'Ontario

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FILE NO.: 2019-3

**IN THE MATTER OF
ALPHANORTH ASSET MANAGEMENT AND STEVEN DOUGLAS PALMER**

Timothy Moseley, Vice-Chair and Chair of the Panel

February 19, 2019

ORDER

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

WHEREAS on February 19, 2019, 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 AlphaNorth Asset Management (**AlphaNorth**), Steven Douglas Palmer (**Palmer**) (together, the **Respondents**) and Staff of the Commission (**Staff**) for approval of a settlement agreement dated February 13, 2019 (the **Settlement Agreement**);

ON READING the Joint Application for a Settlement Hearing, including the Statement of Allegations dated February 14, 2019, and the Settlement Agreement, and on hearing the submissions of the representatives for the Respondents and Staff, and considering the undertaking of AlphaNorth attached as Annex I to this Order and the Consent of the parties to an Order in substantially this form;

IT IS ORDERED THAT:

1. pursuant to subsection 127(1) of the *Securities Act*, RSO 1990, c S.5 (the **Act**), the Settlement Agreement is approved;
2. pursuant to paragraph 9 of subsection 127(1) of the Act, AlphaNorth shall pay an administrative penalty of \$147,000, to be designated for allocation or for use by the Commission in accordance with subclauses 3.4(2)(b)(i) or (ii) of the Act, which shall be paid as follows:
 - a. AlphaNorth shall pay \$73,500, representing 50% of \$147,000, on the date of this Order; and
 - b. AlphaNorth shall pay the remaining \$73,500 in quarterly instalments of \$18,375 each, beginning 3 months after the date of this Order and continuing every 3 months thereafter until the balance of the payment has been made;
3. pursuant to paragraph 9 of subsection 127(1) of the Act, Palmer shall pay an administrative penalty of \$100,000 to be designated for allocation or for use by the Commission in accordance with subclauses 3.4(2)(b)(i) or (ii) of the Act;

4. pursuant to paragraph 6 of subsection 127(1) of the Act, the Respondents shall be reprimanded;
5. pursuant to subsection 127.1(1) of the Act, AlphaNorth shall pay \$10,000 in costs to the Commission; and
6. pursuant to paragraph 1 of subsection 127(1) of the Act, as a term and condition of Palmer's registration, Palmer shall successfully complete, and provide proof thereof to Staff, the Osgoode Certificate in Regulatory Compliance and Legal Risk Management for Financial Institutions offered by Osgoode Professional Development by no later than twelve months from the date of this Order.

"Timothy Moseley"

Timothy Moseley

ANNEX I**IN THE MATTER OF ALPHANORTH ASSET MANAGEMENT AND STEVEN DOUGLAS PALMER****UNDERTAKING TO THE ONTARIO SECURITIES COMMISSION**

This Undertaking is given in connection with the settlement agreement dated as of "February 13", 2019 between AlphaNorth Asset Management, Steven Douglas Palmer and Staff of the Commission (the "Settlement Agreement"). All terms shall have the same meanings in this Undertaking as in the Settlement Agreement.

1. AlphaNorth undertakes that it shall not increase its fees or take any other steps that would result in its clients bearing any costs or expenses that are incurred by it relating to this Settlement Agreement.

DATED at Toronto, Ontario as of the "13" day of "Feb", 2019.

AlphaNorth Asset Management

By: *"Steven Douglas Palmer"*

Steven Douglas Palmer
President and Chief Executive Officer