

**IN THE MATTER OF**

**BUFFALO GRAND HOTEL INC., STINSON HOSPITALITY MANAGEMENT INC.,  
STINSON HOSPITALITY CORP., RESTORATION FUNDING CORPORATION, and  
HARRY STINSON**

**MOTION OF STAFF  
OF THE ONTARIO SECURITIES COMMISSION**  
(For an Order Under Subsection 127(1)  
of the *Securities Act*, RSO 1990 c S.5)

**A. ORDER SOUGHT**

The Moving Party, Staff of the Ontario Securities Commission (**Staff**), requests with notice, that the Ontario Securities Commission (the **Commission**) make the following orders:

1. An Order pursuant to paragraph 2 of subsection 127(1) of the the *Securities Act*, RSO 1990, c S.5 (the **Act**) that until the conclusion of the merits hearing in Commission File No. 2022-3 (the **Related Matter**), all trading in any securities by or of Buffalo Grand Hotel Inc. (**BGHI**), Stinson Hospitality Management Inc. (**SHMI**), Stinson Hospitality Corp. (**SHC**), Restoration Funding Corporation (**Restoration**), and Harry Stinson (**Stinson**) (together, the **Respondents**), shall cease;
2. An Order pursuant to paragraph 3 of subsection 127(1) of the Act that until the conclusion of the merits hearing in the Related Matter, any exemptions contained in Ontario securities law do not apply to the Respondents.
3. If necessary, an Order abridging the time required for service pursuant to Rules 3 and 4(2) of the Ontario Securities Commission *Rules of Procedure*; and
4. Such other Order as the Commission considers appropriate in the public interest.

## **B. GROUNDS**

The grounds for the motion are:

### **The Investigation**

1. In August 2018, Staff commenced an investigation into BGHI, SHMI, SHC, Restoration, and Stinson;
2. During the course of the investigation, Staff found evidence that BGHI, SHMI, SHC, Restoration, and Stinson appeared to have traded securities without registration and without an exemption to the registration requirement, and without a prospectus having been filed or receipted and without an applicable exemption to the prospectus requirement contrary to subsections 25(1) and 53(1) of the Act, respectively;
3. During the course of the investigation, Staff found evidence that one or more of BGHI, SHMI, SHC, Restoration, and Stinson appeared to have made statements that were untrue or omitted information necessary to prevent them from being false or misleading and that a reasonable investor would consider relevant in deciding whether to enter into or maintain a trading relationship with the person or company, contrary to subsection 44(2) of the Act;

### **The Temporary Order and Extensions**

4. On March 20, 2020, the Commission issued a temporary Order (the **Temporary Order**);
5. The Temporary Order provided that:
  - (a) all trading in any securities by BGHI, SHMI, SHC, Restoration, and Stinson or by any person on their behalf shall cease, including but not limited to any act, advertisement, solicitation, conduct, or negotiation, directly or indirectly in furtherance of a trade;
  - (b) all trading in securities related to the Buffalo Grand Hotel shall cease, including:
    - i. trading relating to Buffalo Grand Hotel suites or 'units';
    - ii. trading relating to Buffalo Grand Hotel 'wholesale room blocks';

- (c) any exemptions contained in Ontario securities law do not apply to BGHI, SHMI, SHC, Restoration, and Stinson; and
  - (d) the Temporary Order shall take effect immediately and shall expire on the 15th day after its making unless extended by order of the Commission;
6. On April 3, 2020, the Commission issued an Order that:
- (a) pursuant to subsection 127(8) of the Act, and pursuant to paragraph 2 of subsection 127(1) of the Act, that until January 31, 2021, all trading in any securities by or of the Respondents or by any person on their behalf shall cease; and
  - (b) pursuant to subsection 127(8) and paragraph 3 of subsection 127(1) of the Act, that until January 31, 2021, any exemptions contained in Ontario securities law do not apply to the Respondents.
7. On January 29, 2021, the Commission issued an Order that:
- (a) pursuant to 127(8) of the Act and pursuant to paragraph 2 of subsection 127(1) of the Act, that until April 30, 2021, all trading in any securities by or of the Respondents or by any person on their behalf shall cease; and
  - (b) pursuant to subsection 127(8) and paragraph 3 of subsection 127(1) of the Act, that until April 30, 2021, any exemptions contained in Ontario securities law do not apply to the Respondents.
8. On April 28, 2021, the Commission issued an Order (the **April 28, 2021 Order**):
- (a) pursuant to 127(8) of the Act and pursuant to paragraph 2 of subsection 127(1) of the Act, that until October 31, 2021, all trading in any securities by or of the Respondents or by any person on their behalf shall cease; and
  - (b) pursuant to subsection 127(8) and paragraph 3 of subsection 127(1) of the Act, that until October 31, 2021, any exemptions contained in Ontario securities law do not apply to the Respondents.

9. On October 29, 2021, the Commission issued an Order that:
  - (a) adjourned Staff's motion to be heard in writing;
  - (b) extended the April 28, 2021 Order to the earlier of 4:30 p.m. on November 26, 2021 or the disposition of Staff's motion; and
  - (c) required Staff to serve and file any additional materials by 4:30 p.m. on November 12, 2021.
  
10. On November 16, 2021, the Commission issued an Order that:
  - (a) pursuant to 127(8) of the Act and pursuant to paragraph 2 of subsection 127(1) of the Act, that until February 22, 2022, all trading in any securities by or of the Respondents or by any person on their behalf shall cease; and
  - (b) pursuant to subsection 127(8) and paragraph 3 of subsection 127(1) of the Act, that until February 22, 2022, any exemptions contained in Ontario securities law do not apply to the Respondents.
  
11. On February 22, 2022, the Commission issued an Order that:
  - (a) pursuant to 127(8) of the Act and paragraph 2 of subsection 127(1) of the Act, that until March 9, 2022, all trading in any securities by or of the Respondents or by any person on their behalf shall cease; and
  - (b) pursuant to subsection 127(8) and paragraph 3 of subsection 127(1) of the Act, that until March 9, 2022, any exemptions contained in Ontario securities law do not apply to the Respondents.
  
12. On March 9, 2022, the Commission issued an Order that:
  - (a) pursuant to 127(8) of the Act and paragraph 2 of subsection 127(1) of the Act, that until 4:30 p.m. on July 6, 2022, all trading in any securities by or of the Respondents or by any person on their behalf shall cease; and
  - (b) pursuant to subsection 127(8) and paragraph 3 of subsection 127(1) of the Act, that until 4:30 p.m. on July 6, 2022, any exemptions contained in Ontario securities law do not apply to the Respondents

### **Statement of Allegations and Subsequent Procedural Steps**

13. On February 10, 2022, Staff commenced an enforcement Proceeding in the Related Matter by filing a Statement of Allegations with the Commission.
14. On February 11, 2022, the Commission issued a Notice of Hearing in the Related Matter returnable on March 9, 2022 at 10:00 a.m.
15. On March 9, 2022, the Commission issued an Order in the Related Matter setting a further attendance in the matter for July 6, 2022.

### **Need for Order and Consent of Respondents**

16. The Order sought by Staff is necessary to protect investors from serious and ongoing harm and is in the public interest;
17. The Respondents consent to the relief sought;
18. Subsections 127(1) and 127(8) of the Act; and
19. Such further grounds as counsel may advise and the Commission may permit.

### **C. EVIDENCE**

The Moving Party intends to rely on the following evidence at the Hearing:

1. The consent of the parties to the relief sought;
2. The Affidavit of Stephanie Collins, sworn March 31, 2020;
3. The Affidavit of Stephanie Collins, sworn November 12, 2021; and
3. Such further evidence as counsel may advise and the Commission may permit.

**STAFF OF THE  
ONTARIO SECURITIES COMMISSION**

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