



Capital  
Markets  
Tribunal

Tribunal des  
marchés  
financiers

22nd Floor  
20 Queen Street West  
Toronto ON M5H 3S8

22e étage  
20, rue Queen ouest  
Toronto ON M5H 3S8

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**IN THE MATTER OF  
MAJD KITMITTO, STEVEN VANNATTA, CHRISTOPHER CANDUSSO, CLAUDIO  
CANDUSSO, DONALD ALEXANDER (SANDY) GOSS, JOHN FIELDING AND  
FRANK FAKHRY**

File No. 2018-70

**Adjudicators:** M. Cecilia Williams (chair of the panel)  
Sandra Blake  
Geoffrey D. Creighton

January 20, 2023

**ORDER**

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

WHEREAS on October 11 and 13, 2022, the Capital Markets Tribunal held a hearing by videoconference to consider the sanctions and costs that the Tribunal should impose on Majd Kitmitto, Steven Vannatta, Christopher Candusso, Donald Alexander (Sandy) Goss, and Frank Fakhry as a result of the findings in the Reasons and Decision on the merits, issued May 26, 2022;

ON READING the materials filed by the parties, and on hearing the submissions of the representatives for each of Staff of the Ontario Securities Commission and the respondents;

IT IS ORDERED THAT:

1. With respect to Kitmitto:
  - a. pursuant to paragraph 2 of s 127(1) of the *Securities Act*, RSO 1990, c S.5 (the **Act**), trading in any securities by Kitmitto shall cease for 10 years from the date of this order, except that Kitmitto shall be permitted to trade:
    - i. mutual funds, exchange-traded funds, government bonds and/or guaranteed investment certificates (**GICs**) for the account of any registered retirement savings plan (**RRSP**), registered retirement income fund (**RRIF**) and tax-free savings account (**TFSA**), as defined in the *Income Tax Act*, RSC 1985, c 1, as amended (the

**Income Tax Act**), in which Kitmitto has sole legal and beneficial ownership;

- ii. solely through a registered dealer in Ontario, to whom Kitmitto must have given a copy of this order; and
  - iii. only after the amounts ordered in subparagraphs 1(g) and 1(h) have been paid in full;
- b. pursuant to paragraph 2.1 of s 127(1) of the Act, the acquisition of any securities by Kitmitto is prohibited for a period of 10 years from the date of this order, except that Kitmitto shall be permitted to acquire:
- i. mutual funds, exchange-traded funds, government bonds and/or GICs for the account of any RRSP, RRIF and TFSA, as defined in the Income Tax Act, in which Kitmitto has sole legal and beneficial ownership;
  - ii. solely through a registered dealer in Ontario, to whom Kitmitto must have given a copy of this order; and
  - iii. only after the amounts ordered in subparagraphs 1(g) and 1(h) have been paid in full;
- c. pursuant to paragraph 3 of s 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Kitmitto for a period of 10 years from the date of this order;
- d. pursuant to paragraphs 7 and 8.1 of s 127(1) of the Act, Kitmitto shall immediately resign any positions that he holds as a director or officer of an issuer or registrant;
- e. pursuant to paragraphs 8 and 8.2 of s 127(1) of the Act, Kitmitto is prohibited for a period of 10 years from the date of this order from becoming or acting as a director or an officer of any issuer or registrant;
- f. pursuant to paragraph 8.5 of s 127(1) of the Act, Kitmitto is prohibited for a period of 10 years from the date of this order from becoming or acting as a registrant or as a promoter;
- g. pursuant to paragraph 9 of s 127(1) of the Act, Kitmitto shall pay an administrative penalty in the amount of \$600,000 to the Commission; and
- h. pursuant to s 127.1 of the Act, Kitmitto shall pay \$147,075, for the costs of the investigation and hearing.

2. With respect to Vannatta:

- a. pursuant to paragraph 2 of s 127(1) of the Act, trading in any securities by Vannatta shall cease for 15 years from the date of this order, except that Vannatta shall be permitted to trade:
  - i. mutual funds, exchange-traded funds, government bonds and/or GICs for the account of any RRSP, RRIF and TFSA, as defined in the Income Tax Act, in which Vannatta has sole legal and beneficial ownership;
  - ii. solely through a registered dealer in Ontario, to whom Vannatta must have given a copy of this order; and
  - iii. only after the amounts ordered in subparagraphs 2(g) through 2(i) have been paid in full;
- b. pursuant to paragraph 2.1 of s 127(1) of the Act, the acquisition of any securities by Vannatta is prohibited for a period of 15 years from the date of this order, except that Vannatta shall be permitted to acquire:
  - i. mutual funds, exchange-traded funds, government bonds and/or GICs for the account of any RRSP, RRIF and TFSA, as defined in the Income Tax Act, in which Vannatta has sole legal and beneficial ownership;
  - ii. solely through a registered dealer in Ontario, to whom Vannatta must have given a copy of this order; and
  - iii. only after the amounts ordered in subparagraphs 2(g) through 2(i) have been paid in full;
- c. pursuant to paragraph 3 of s 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Vannatta for a period of 15 years from the date of this order;
- d. pursuant to paragraphs 7 and 8.1 of s 127(1) of the Act, Vannatta shall immediately resign any positions that he holds as a director or officer of an issuer or registrant;
- e. pursuant to paragraphs 8 and 8.2 of s 127(1) of the Act, Vannatta is prohibited for a period of 15 years from the date of this order from becoming or acting as a director or an officer of any issuer or registrant;
- f. pursuant to paragraph 8.5 of s 127(1) of the Act, Vannatta is prohibited for a period of 15 years from the date of this order from becoming or acting as a registrant or as a promoter;

- g. pursuant to paragraph 9 of s 127(1) of the Act, Vannatta shall pay an administrative penalty in the amount of \$650,000 to the Commission;
- h. pursuant to paragraph 10 of s 127(1) of the Act, Vannatta shall disgorge to the Commission the amount of \$54,435; and
- i. pursuant to s 127.1 of the Act, Vannatta shall pay \$183,844, for the costs of the investigation and hearing.

3. With respect to Candusso:

- a. pursuant to paragraph 2 of s 127(1) of the Act, trading in any securities by Candusso shall cease for three years from the date of this order, except that Candusso shall be permitted to trade:
  - i. mutual funds, exchange-traded funds, government bonds and/or GICs for the account of any RRSP, RRIF and TFSA, as defined in the Income Tax Act, in which Candusso has sole legal and beneficial ownership;
  - ii. solely through a registered dealer in Ontario, to whom Candusso must have given a copy of this order; and
  - iii. only after the amounts ordered in subparagraphs 3(g) through 3(i) have been paid in full;
- b. pursuant to paragraph 2.1 of s 127(1) of the Act, the acquisition of any securities by Candusso is prohibited for a period of three years from the date of this order, except that Candusso shall be permitted to acquire:
  - i. mutual funds, exchange-traded funds, government bonds and/or GICs for the account of any RRSP, RRIF and TFSA, as defined in the Income Tax Act, in which Candusso has sole legal and beneficial ownership;
  - ii. solely through a registered dealer in Ontario, to whom Candusso must have given a copy of this order; and
  - iii. only after the amounts ordered in subparagraphs 3(g) through 3(i) have been paid in full;
- c. pursuant to paragraph 3 of s 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Candusso for a period of three years from the date of this order;
- d. pursuant to paragraphs 7 and 8.1 of s 127(1) of the Act, Candusso shall

immediately resign any positions that he holds as a director or officer of an issuer or registrant;

- e. pursuant to paragraphs 8 and 8.2 of s 127(1) of the Act, Candusso is prohibited for a period of three years from the date of this order from becoming or acting as a director or an officer of any issuer or registrant;
- f. pursuant to paragraph 8.5 of s 127(1) of the Act, Candusso is prohibited for a period of three years from the date of this order from becoming or acting as a registrant or as a promoter;
- g. pursuant to paragraph 9 of s 127(1) of the Act, Candusso shall pay an administrative penalty in the amount of \$100,000 to the Commission;
- h. pursuant to paragraph 10 of s 127(1) of the Act, Candusso shall disgorge to the Commission the amount of \$30,782; and
- i. pursuant to s 127.1 of the Act, Candusso shall pay \$73,537, for the costs of the investigation and hearing.

4. With respect to Goss:

- a. pursuant to paragraph 2 of s 127(1) of the Act, trading in any securities by Goss shall cease for 15 years from the date of this order, except that Goss shall be permitted to trade:
  - i. mutual funds, exchange-traded funds, government bonds and/or GICs for the account of any RRSP, RRIF and TFSA, as defined in the Income Tax Act, in which Goss has sole legal and beneficial ownership;
  - ii. solely through a registered dealer in Ontario, to whom Goss must have given a copy of this order; and
  - iii. only after the amounts ordered in subparagraphs 4(g) through 4(i) have been paid in full;
- b. pursuant to paragraph 2.1 of s 127(1) of the Act, the acquisition of any securities by Goss is prohibited for a period of 15 years from the date of this order, except that Goss shall be permitted to acquire:
  - i. mutual funds, exchange-traded funds, government bonds and/or GICs for the account of any RRSP, RRIF and TFSA, as defined in the Income Tax Act, in which Goss has sole legal and beneficial ownership;
  - ii. solely through a registered dealer in Ontario, to whom Goss must

have given a copy of this order; and

- iii. only after the amounts ordered in subparagraphs 4(g) through 4(i) have been paid in full;
- c. pursuant to paragraph 3 of s 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Goss for a period of 15 years from the date of this order;
- d. pursuant to paragraphs 7 and 8.1 of s 127(1) of the Act, Goss shall immediately resign any positions that he holds as a director or officer of an issuer or registrant;
- e. pursuant to paragraphs 8 and 8.2 of s 127(1) of the Act, Goss is prohibited for a period of 15 years from the date of this order from becoming or acting as a director or an officer of any issuer or registrant;
- f. pursuant to paragraph 8.5 of s 127(1) of the Act, Goss is prohibited for a period of 15 years from the date of this order from becoming or acting as a registrant or as a promoter;
- g. pursuant to paragraph 9 of s 127(1) of the Act, Goss shall pay an administrative penalty in the amount of \$1,000,000 to the Commission;
- h. pursuant to paragraph 10 of s 127(1) of the Act, Goss shall disgorge to the Commission the amount of \$1,228,509; and
- i. pursuant to s 127.1 of the Act, Goss shall pay \$183,844, for the costs of the investigation and hearing.

5. With respect to Fakhry:

- a. pursuant to paragraph 2 of s 127(1) of the Act, trading in any securities by Fakhry shall cease for 10 years from the date of this order, except that Fakhry shall be permitted to trade:
  - i. mutual funds, exchange-traded funds, government bonds and/or GICs for the account of any RRSP, RRIF and TFSA, as defined in the Income Tax Act, in which Fakhry has sole legal and beneficial ownership;
  - ii. solely through a registered dealer in Ontario, to whom Fakhry must have given a copy of this order; and
  - iii. only after the amounts ordered in subparagraphs 5(g) through 5(i) have been paid in full;

- b. pursuant to paragraph 2.1 of s 127(1) of the Act, the acquisition of any securities by Fakhry is prohibited for a period of 10 years from the date of this order, except that Fakhry shall be permitted to acquire:
  - i. mutual funds, exchange-traded funds, government bonds and/or GICs for the account of any RRSP, RRIF and TFSA, as defined in the Income Tax Act, in which Fakhry has sole legal and beneficial ownership;
  - ii. solely through a registered dealer in Ontario, to whom Fakhry must have given a copy of this order; and
  - iii. only after the amounts ordered in subparagraphs 5(g) through 5(i) have been paid in full;
- c. pursuant to paragraph 3 of s 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Fakhry for a period of 10 years from the date of this order;
- d. pursuant to paragraph 7 and 8.1 of s 127(1) of the Act, Fakhry shall immediately resign any positions that he holds as a director or officer of an issuer or registrant;
- e. pursuant to paragraphs 8 and 8.2 of s 127(1) of the Act, Fakhry is prohibited for a period of 10 years from the date of this order from becoming or acting as a director or an officer of any issuer or registrant;
- f. pursuant to paragraph 8.5 of s 127(1) of the Act, Fakhry is prohibited for a period of 10 years from the date of this order from becoming or acting as a registrant or as a promoter;
- g. pursuant to paragraph 9 of s 127(1) of the Act, Fakhry shall pay an administrative penalty in the amount of \$600,000 to the Commission;
- h. pursuant to paragraph 10 of s 127(1) of the Act, Fakhry shall disgorge to the Commission the amount of \$126,546; and
- i. pursuant to s 127.1 of the Act, Fakhry shall pay \$147,075, for the costs of the investigation and hearing.

*"M. Cecilia Williams"*

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M. Cecilia Williams

*"Sandra Blake"*

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Sandra Blake

*"Geoffrey D. Creighton"*

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Geoffrey D. Creighton