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Citation: *Ontario Securities Commission v Hew*, 2026 ONCMT 5

Date: 2026-01-23

File No. 2025-19

**ONTARIO SECURITIES COMMISSION
(Applicant)**

- and -

**RON CARTER HEW
(Respondent)**

REASONS AND DECISION

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

Adjudicator: M. Cecilia Williams

Hearing: In Writing

Appearances: Emma Seip For the Ontario Securities Commission
No submissions were made on behalf of Ron Carter Hew

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REASONS AND DECISION

1. OVERVIEW

- [1] The Ontario Securities Commission alleges that Ron Carter Hew failed to comply with a trading ban imposed against him by an order of the Commission dated July 6, 2005 (the **2005 Order**). The 2005 Order prohibited Hew from trading securities for 15 years, except for trading in registered retirement savings plans (**RRSP**) in which he had sole beneficial interest. Despite the 2005 Order, Hew opened and traded in accounts in his name which were not RRSPs while the Order was still in force.
- [2] This enforcement proceeding combines the merits and the sanctions and costs hearings against Hew and is being conducted in writing, pursuant to an order dated October 22, 2025 (the **October 2025 Order**).¹
- [3] Hew did not participate in this proceeding and did not file any materials. As noted below, I am satisfied that I can proceed with the merits and sanctions and costs hearing without Hew's participation.
- [4] The Commission filed three affidavits in connection with the merit and sanctions and costs hearing as follows:
 - a. the Affidavit of Service of Rima Jahshan;²
 - b. the Redacted Affidavit of Jody Sikora and attached exhibits, which include the banking records obtained in the Commission's investigation;³ and
 - c. the Affidavit of Julia Ho to support the Commission's costs claim.⁴
- [5] For the reasons below, I find that Hew contravened Ontario securities law pursuant to s. 122(1)(c) of the *Securities Act* (the **Act**)⁵ by breaching the 2005 Order. This conduct warrants sanctions under s. 127(1) of the Act including

¹ (2025), 48 OSCB 8939

² Exhibit 1, Affidavit of Service of Rima Jahshan, sworn December 2, 2025 (**Jahshan Affidavit**)

³ Exhibit 2, Redacted Affidavit of Jody Sikora, sworn November 27, 2025 (**Sikora Affidavit**)

⁴ Exhibit 3, Affidavit of Julia Ho, sworn on November 28, 2025 (**Ho Affidavit**)

⁵ RSO 1990, c S.5 (**Act**)

permanent market participation bans, an administrative penalty in the amount of \$100,000, and costs pursuant to s. 127.1 of the *Act* of \$38,282.87.

2. BACKGROUND AND REGULATORY HISTORY

- [6] Hew is an Ontario resident. His employment history includes wireless tech support, machine operator, operator assistant, and solderer.
- [7] Hew entered into a settlement agreement with the Commission relating to allegations of engaging in unregistered advising (the **2005 Settlement Agreement**). In that agreement, Hew admitted, among other things, that he had, over a twelve-year period, traded in the accounts of 17 individuals, without being registered to do so. Hew's trading resulted in investor losses totaling \$600,000 to \$800,000. He received payments totaling approximately \$80,000 to \$100,000.
- [8] On July 6, 2005, an adjudicative panel of the Commission approved the 2005 Settlement Agreement and ordered that Hew cease trading in securities for a period of 15 years, except that he may trade in securities in an RRSP in which he had sole beneficial interest.⁶
- [9] In the reasons for approving the settlement agreement,⁷ the panel expressed that 15 years was "on the light side", that any future panel would take an "extremely dim view of any subsequent infraction", and that sanctions for any subsequent infraction would be much more severe.⁸
- [10] Under the terms of the 2005 Order the trading ban expired on July 6, 2020.

2.1 Trading activity during the ban

- [11] While the 2005 Order was in force, Hew opened three non-RRSP brokerage accounts with Questrade, Inc.:
 - a. an individual margin account opened on January 12, 2012 (the **2012 Margin Account**);

⁶ Sikora Affidavit, Exhibit 4

⁷ *Hew (Re)*, 2005 CarswellOnt 3143

⁸ Sikora Affidavit, Exhibit 3, at 36-37

- b. an individual Tax-Free Savings Account opened on January 14, 2020 (**TFSA**); and
- c. a second individual margin account opened on March 21, 2020 (the **2020 Margin Account**).

[12] Questrade only maintains monthly statements for seven years, dating back to September 1, 2017. The Commission analyzed Hew's trading data for the above noted accounts between September 1, 2017, until the last day the 2005 Order was in force on July 5, 2020 (the **Relevant Time**).

[13] During the Relevant Time, Hew executed 964 trades, including 400 trades in the 2012 Margin Account and 564 trades in the TFSA. He traded a variety of instruments, including shares, exchange traded notes, exchange traded funds, and options, all of which constitute securities under the *Act*.⁹ Hew did not execute any trades in the 2020 Margin Account. The Commission included the account in the allegations on the basis that opening the account was an act in furtherance of a trade. I reject that proposition for the reasons detailed below.

[14] Hew deposited \$30,500 into the 2012 Margin Account and \$19,000 into the TFSA. Factoring in the commissions charged by Questrade, Hew's trading in the 2012 Margin Account and the TFSA resulted in a net loss of US\$20,118 during the Relevant Time.

3. MERITS DECISION

3.1 Proceeding in Hew's absence

[15] Subsection 7(2) of the *Statutory Powers Procedures Act*¹⁰ and subrule 24(3) of the *Capital Markets Tribunal Rules of Procedure* provide that where notice of a written hearing has been given to a party to a proceeding and the party does not attend or participate in the hearing, the Tribunal may proceed without the party's participation and the party is not entitled to further notice in the proceeding.

⁹ *Act*, s 1(1) "security", (d)-(f)

¹⁰ RSO 1990, c s.22

- [16] Prior to the first case management hearing, the Commission went to great lengths to serve Hew, both electronically and in person, and detailed these efforts in three affidavits of service and two affidavits of attempted service. It became clear that Hew was attempting to evade personal service. Despite the Commission's multiple attempts to effect service, Hew did not attend the first case management hearing. I decided to proceed in his absence on the basis that he was properly served by electronic delivery with the Notice of Hearing and Application for Enforcement Proceeding. The October 2005 Order included a timeline for Hew to provide any written evidence and submissions for the merits and sanctions and costs hearing. Hew failed to do so.
- [17] The Jahshan Affidavit details the Commission's efforts to serve Hew with its materials for the merits and sanctions and costs hearing. I am satisfied that Hew has been properly notified and served and has chosen not to participate in this proceeding, and that it is appropriate to proceed in his absence.

3.2 Applicable law

- [18] Under s. 122(1)(c) of the *Act*, every person who contravenes Ontario securities law is guilty of an offence. "Ontario securities law" as defined in the *Act*, includes a decision of the Commission and Tribunal to which a person is subject. The 2005 Order is a part of Ontario securities law.
- [19] Trading, as defined in ss. 1(1) of the *Act*, includes any sale or disposition of a security for valuable consideration and any act in furtherance of a trade.

3.3 Analysis

3.3.1 Limitation period

- [20] The Commission alleges that Hew's conduct in breach of the trading ban began in January 2012 when he opened the 2012 Margin Account and his conduct thereafter in opening additional non-RRSP brokerage accounts and making hundreds of trades during the Relevant Time. The non-RRSP brokerage accounts were opened, and some trades took place, more than six years before the Application for Enforcement Proceeding was issued on September 16, 2025.
- [21] Section 129.1 of the *Act* states that no proceeding shall be commenced later than six years from the date of the occurrence of the last event on which the

proceeding is based. In *Heidary (Re)*,¹¹ the Tribunal clarified that the “last event on which the proceeding is based” means “the last event in the series of events which forms the course of conduct.” In *Boyle (Re)*,¹² the Tribunal found that the respondent’s “course of conduct” includes three elements:

- a. a pattern of conduct composed of a series of acts,
- b. over a period of time, and
- c. evidencing a continuity of purpose.

- [22] A continuity of purpose requires that the subsequent acts be like the original act and in line with a person’s original intent.¹³
- [23] I agree with the Commission that Hew has demonstrated a course of conduct of trading in contravention of the 2005 Order. The “series of acts” that make up the course of conduct includes trades that occurred more than six years before the Application for Enforcement Proceeding was issued as well as trades that continued until July 5, 2020.
- [24] In arriving at this conclusion, I have excluded from my analysis the following elements included in the Commission’s submissions:
 - a. the opening of the 2012 Margin Account; and
 - b. the Individual Margin Account opened on March 21, 2020.
- [25] The Commission submits that by opening the accounts Hew engaged in acts in furtherance of a trade. It submits that without the accounts being opened, Hew would not have been able to make the securities trades that form the primary allegation against him in breach of Ontario securities law. There is a certain logic to the Commission’s submission on this point. However, I am not familiar with any Tribunal decision that has found opening an account to be an act in furtherance of a trade. Nor has the Commission provided me with any authority for that conclusion. In the absence of any authority and given the lack of any,

¹¹ 2000 LNONOSC 79 at para 22

¹² 2006 ONSEC 5 (**Boyle**) at para 48

¹³ *Boyle* at para 48

potentially contrary, submissions from Hew, I decline to conclude that opening an account is an act in furtherance of a trade.

- [26] Given this conclusion, I cannot include the opening of the 2012 Margin Account in my analysis of whether there has been a course of conduct for the purposes of the limitation period.
- [27] The Individual Margin Account is not referred to in the Application for Enforcement Proceeding. It would be unfair to Hew to include in my analysis an account that he was not aware was part of the allegations against him. In addition, there is no trading data in evidence for this account. The Commission's allegations regarding this account relate only to Hew's opening it as an act in furtherance of a trade. As indicated above, I have declined to make this finding. The allegations regarding this account support my hesitation to make the Commission's requested finding. Given that no trading ever occurred in this account, the mere opening of the account cannot reasonably be considered an act in furtherance of a trade.
- [28] I conclude that Hew engaged in a course of conduct in breach of the 2005 Order that is not statute-barred because the evidence shows:
 - a. a pattern of trading in non-RRSP accounts;
 - b. that started at least as early as September 1, 2017, and continued up to July 6, 2020, when the trading ban expired; and
 - c. demonstrates a continuity of purpose to breach the trading ban.

3.3.2 Hew traded securities while the 2005 Order was in force

- [29] The evidence establishes that Hew traded securities in non-RRSP accounts while the 2005 Order, barring such activity, was in effect. The 2012 Margin Account and the TFSA Account were not RRSP accounts. Hew executed a total of 954 trades in those two accounts, between September 2017 and July 5, 2020. The instruments that he traded in included shares, exchange traded notes, exchange traded funds, and options all of which clearly fall within the definition of "securities" under the *Act*.¹⁴

¹⁴ *Act*, s 1(1) "security", (d)-(f)

[30] Hew could have traded in compliance with the 2005 Order by trading in an RRSP account. In fact, he did open an individual RRSP account through Questrade during the same period.¹⁵ The details of this account are not in issue in this proceeding.

3.4 Conclusion on the merits

[31] Hew breached the 2005 Order, and therefore, contravened Ontario securities law by trading in non-RRSP accounts while that Order was in effect. The fact that he did so after agreeing to the trading ban in the Settlement Agreement shows intent and demonstrates a wilful disregard for Ontario securities law.

4. SANCTIONS AND COSTS

4.1 Introduction

[32] Having found that Hew contravened Ontario securities law, I will now address the appropriate sanctions against him.

[33] The Tribunal may impose sanctions under s. 127(1) of the *Act* where it finds it to be in the public interest to do so.¹⁶ The Tribunal's exercise of that jurisdiction must be consistent with the purposes of the *Act*, which include protecting investors from unfair, improper and fraudulent practices, and fostering fair and efficient capital markets and confidence in them.¹⁷

[34] Sanctions are protective and are intended to prevent future harm to investors and to the capital markets.¹⁸

[35] The Commission seeks the following sanctions and costs against Hew:

- a. permanent market bans, including director and officer bans;
- b. an administrative penalty in the amount of \$100,000; and
- c. costs of the investigation and hearing in the amount of \$44,584.98.

¹⁵ Sikora Affidavit at para 15 and Exhibit 7

¹⁶ *Committee for the Equal Treatment of Asbestos Minority Shareholders v Ontario (Securities Commission)*, 2001 SCC 37 at para 43

¹⁷ *Money Gate Mortgage Investment Corporation (Re)*, 2021 ONSEC 10 at para 7, aff'd *Katebian v Ontario (Securities Commission)*, 2025 ONSC 3249

¹⁸ *Cartaway Resources Corp (Re)*, 2004 SCC 26 at paras 58-62

[36] The Tribunal may consider a variety of factors with respect to sanctions, the applicability and importance of which will vary case-by-case.¹⁹ The sanctioning factors most relevant in this case are discussed below.

4.2 Sanctioning factors

[37] Hew's misconduct is serious. Compliance with Tribunal orders is a critical aspect of the regulation of Ontario's capital markets.²⁰ Failing to comply with Tribunal orders demonstrates a disregard for the rule of law and the Tribunal's processes and undermines the public's confidence in the capital markets.²¹

[38] Hew's trading in contravention of the 2005 Order was frequent and continuous in the two non-RRSP accounts from at least September 1, 2017, until the trading ban expired in July 2020. He traded 954 times over the almost three-year period for which records were available.

[39] As I concluded in the merits portion of these reasons, Hew clearly intended to trade in non-RRSP accounts. This shows wilful disregard for the Tribunal and for Ontario securities law.

[40] Hew failed to participate in this proceeding. There are therefore no mitigating factors for me to consider.

[41] In ordering sanctions, the Tribunal considers both specific and general deterrence. With regards to specific deterrence, Hew's misconduct warrants serious sanctions. Prior to the 2005 Order, Hew had been warned by the Commission that he was in breach of the *Act*. He ignored that warning and was subsequently sanctioned for his misconduct. The adjudicative panel of the Commission that approved the 15-year trading ban in the 2005 Settlement Agreement expressed skepticism that the agreed sanctions would be sufficient to deter further wrongdoing by Hew. Hew intentionally breached the 2005 Order, demonstrating that the skepticism was warranted. I share the same skepticism

¹⁹ *Feng (Re)*, 2023 ONCMT 43 (**Feng**) at para 10, citing *York Rio Resources Inc (Re)*, 2014 ONSEC 9 at para 34

²⁰ *Valentine (Re)*, 2024 ONCMT 21 (**Valentine**) at para 20

²¹ *Valentine* at para 20, citing *Stinson (Re)*, 2023 ONCMT 50 at para 18

and therefore feel it is important to make the sanctions in this proceeding more severe than the 2005 Order to achieve both specific and general deterrence.

- [42] In addition, it is critical that the sanctions against Hew demonstrate to any like-minded individuals that the Tribunal will not tolerate the wilful disregard of its orders and of Ontario securities law in general.

4.3 Market participation bans and director and officer prohibitions

- [43] The Commission seeks permanent market bans, including bans against trading or acquiring any securities. The Commission also seeks permanent director and officer bans with respect to any issuer or registrant against Hew.
- [44] Participation in Ontario's capital markets is a privilege and not a right. Hew has shown that he is not worthy of that privilege. He intentionally breached a 15-year trading ban. The trading ban included a carve-out that allowed him to trade in RRSP accounts. The time-limited nature of the trading ban and the consideration shown Hew by providing a carve-out for retirement savings, was clearly not warranted. Given Hew's flagrant breach of the 2005 Order, no further consideration is appropriate, and I order a permanent prohibition against further trading and acquiring of securities with no carve-outs.
- [45] The Commission also seeks an order permanently banning Hew from acting as a director or officer of any issuer or registrant. Although Hew's misconduct did not include any alleged abuse of his authority as director or officer of an issuer or registrant, the Commission submits that Hew's disregard for the rule of law and the Tribunal's processes should bar him from participating in the capital markets in any capacity.
- [46] The Tribunal, in the *Daniel Duic (Re)*²² decision, ordered permanent director and officer bans for misconduct that involved the breach of a trading ban through personal trading. I also note that the permanent director and officer bans were ordered in that case even after taking into consideration several mitigating factors, including that Duic expressed remorse, accepted responsibility for his

²² 2008 ONSEC 20 at para 66

actions and cooperated with the Commission's investigation. No such mitigating factors are applicable here.

[47] Hew was required to comply with the terms of the 2005 Order, to which he agreed. Rather than do so, he chose to trade in non-RRSP accounts in direct contravention of the Order. I agree that his wilful disregard for the rule of law justifies Hew being permanently banned from participating in the capital markets as a director or officer of an issuer or a registrant.

4.4 Administrative penalty

[48] The Commission seeks an administrative penalty in the amount of \$100,000. Determining the amount of an administrative penalty is not a science and the Tribunal may consider a variety of factors in arriving at an appropriate figure.²³ Among other things, the Tribunal will take a global view of all sanctions imposed and will consider specific and general deterrence as well as the level of administrative penalties imposed in other cases.²⁴

[49] The Commission submits that the amount it is seeking as an administrative penalty is appropriate because:

- a. breaching a Tribunal order is serious;
- b. Hew has a history of misconduct and there is a heightened need for specific deterrence; and
- c. Hew flagrantly disregarded the 2005 Order by not taking advantage of the carve-out available to him.

[50] The Commission cites two cases where an administrative penalty was ordered against an individual who had breached a trading ban by engaging in personal trading. I agree with the Commission that the first case, *Daniel Duic*, is of little assistance. The administrative penalty of \$25,000 was ordered in circumstances that, unlike in this case, included significant mitigating factors. In addition, the decision is 17 years old, and the deterrent effect of such a penalty is negatively

²³ *Feng* at para 73

²⁴ *First Global Data Ltd (Re)*, 2023 ONCMT 25 at para 152

impacted by the passage of time. The other case, *Dennis Wing (Re)*,²⁵ is a settlement and therefore of little value in this instance.

- [51] In other cases involving breaches of a trading ban or a cease trade order where the breach was capital raising, the Tribunal has ordered administrative penalties in the range of \$200,000 to \$600,000.²⁶
- [52] The Commission notes that it is not seeking a disgorgement order because Hew's trading resulted in losses.
- [53] Given the seriousness of Hew's misconduct and the need for enhanced specific deterrence, an administrative penalty of \$100,000 is appropriate.

4.5 Costs

- [54] Section 127.1 of the *Act* allows the Tribunal to order that a respondent who has contravened Ontario securities law pay the Commission's costs of the investigation and the proceeding. The Commission seeks total costs of \$44,584.98.
- [55] The Commission provided an affidavit in support of its request for costs. The Commission has calculated its "costs incurred" and "costs sought" in accordance with the approach recently approved by the Tribunal in *Bridging*.²⁷ That approach involves seeking recovery of costs for time incurred by all investigators, counsel and law clerks involved in the matter rather than just one investigator and counsel. While the Tribunal panel in *Bridging* did approve the approach, it also deducted costs from the "costs sought" in that case to account for certain inefficiencies in the hearing.²⁸
- [56] The amount of costs sought is also supported, the Commission submits, by Hew's evasion of service which added time and effort. This is largely, if not

²⁵ 2018 ONSEC 25

²⁶ See, e.g., *Nova Tech Ltd (Re)*, 2024 ONCMT 28 (\$500,000 for breach of cease trade order); *Valentine (Re)*, 2024 ONCMT 21 (\$500,000 for breach of trading ban); *Stinson (Re)*, 2023 ONCMT 50 (\$600,000 for breach of cease trade order and other contraventions); *MOAG Copper Gold Resources Inc (Re)*, 2020 ONSEC 29 (\$200,000 and \$400,000 for breach of cease trade order).

²⁷ *Bridging Finance Inc (Re)*, 2025 ONCMT 10 (**Bridging**)

²⁸ *Bridging* at para 131

entirely, reflected, in my view, in the disbursements for which full recovery is sought.

[57] The Commission also submits that the costs its seeking are “significantly less” than the actual amounts incurred in the investigation and proceeding. By my calculation, the difference between the costs incurred and those sought is one percent. This does not represent a significant reduction.

[58] The amounts the Commission omitted in its costs sought are almost always excluded from the Commission’s costs incurred calculation. They include:

- a. time spent by members of the enforcement division’s case assessment team;
- b. time spent on e-discovery and analytics;
- c. time spent by case leads and assistant investigators; and
- d. time spent after November 18, 2025.

As a result, I do not view the exclusion of these costs from the costs sought calculation as much of a concession.

[59] Some further reduction to the Commission’s costs is appropriate given the fact that this is a simple matter, is uncontested, is being conducted in writing and is a combined merits and sanctions and costs hearing. I therefore reduce the costs sought by 15% and order Hew to pay costs in the amount of \$36,916.14. Adding in the disbursements incurred by the Commission in this matter, \$1,366.73, I order total costs and disbursements to be paid by Hew in the amount of \$38,282.87.

5. CONCLUSION

[60] For the above reasons, I order that:

- a. pursuant to paragraph 2 of subsection 127(1) of the *Act*, trading in any securities or derivatives by Hew shall cease permanently;
- b. pursuant to paragraph 2.1 of subsection 127(1) of the *Act*, the acquisition of any securities by Hew shall cease permanently;
- c. pursuant to paragraph 3 of subsection 127(1) of the *Act*, any exemptions contained in Ontario securities law shall not apply to Hew permanently;

- d. pursuant to paragraphs 7 and 8.1 of subsection 127(1) of the *Act*, Hew shall 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 subsection 127(1) of the *Act*, Hew is permanently prohibited from becoming or acting as a director or officer of any issuer or registrant;
- f. pursuant to paragraph 8.5 of subsection 127(1) of the *Act*, Hew is permanently prohibited from becoming or acting as a registrant or as a promoter;
- g. pursuant to paragraph 9 of subsection 127(1) of the *Act*, Hew shall pay an administrative penalty of \$100,000.00; and
- h. pursuant to section 127.1 of the *Act* Hew shall pay \$38,282.87 for costs of the Commission's investigation and hearing.

Dated at Toronto this 23rd day of January, 2026.

"M. Cecilia Williams"

M. Cecilia Williams