

ORAL REASONS FOR APPROVAL OF A SETTLEMENT

The following reasons have been prepared for publication, based on the reasons delivered orally at the hearing, as edited and approved by the panel, to provide a public record of the oral reasons.

- [1] We approve the parties' settlement agreement. These are our oral reasons.
- [2] Before today's hearing, we held a confidential conference with the parties. We had the opportunity to hear from the parties and to ask them questions about the settlement.
- [3] The facts leading to this settlement are straightforward and are set out in the settlement agreement. In January 2023, the Capital Markets Tribunal ordered that Taylor Carr resign from any positions he held as a director or officer of any issuer, and also banned him from acting as a director or officer of any issuer for a period of three years. Carr later became a director of two non-reporting issuers and remained in those roles for approximately two years. He has resigned from both of those positions.
- [4] By violating the director and officer ban, Carr breached Ontario securities law. He has agreed to the sanctions set out in the settlement agreement, which include a prohibition against acting as a director or officer of any issuer for three years, and an administrative penalty of \$4,500.
- [5] There is one aggravating factor in Carr's circumstances, namely that he took positive steps to become a director of two companies after the Tribunal made an order banning him from doing so.
- [6] The mitigating factors relevant to Carr's circumstances are that:
 - a. after being contacted by the Commission requesting evidence of his compliance with the director and officer ban against him, Carr self-corrected by resigning from his director positions;
 - b. by entering the settlement, he has taken accountability for his breach of the Tribunal's order; and
 - c. he has cooperated with the Commission.

- [7] We find that these sanctions are at the lower end of the range of sanctions ordered for breaches of director and officer bans, but are within the reasonable range and therefore in the public interest. While Carr’s misconduct is serious, his mitigating conduct is meaningful.
- [8] We find that the sanctions against Carr are proportionate to his misconduct, and meet the objectives of specific and general deterrence. The sanctions serve to protect the capital markets of Ontario.
- [9] We are also satisfied that the settlement agreement sends two clear messages:
- a. that those subject to orders of the Tribunal must comply with those orders; and
 - b. that compliance with Tribunal orders is essential to maintaining the integrity of Ontario’s capital markets.
- [10] In conclusion, we find that the proposed settlement is reasonable and in the public interest. We will issue an order substantially in the form of the draft attached to the settlement agreement.

Dated at Toronto this 25th day of February, 2026

“Jane Waechter”

Jane Waechter

“Dale R. Ponder”

Dale R. Ponder

“M. Cecilia Williams”

M. Cecilia Williams