

BETWEEN:

ONTARIO SECURITIES COMMISSION

(Applicant)

– and –

CHRISTOPHER CANDUSSO

(Respondent)

**SETTLEMENT AGREEMENT BETWEEN THE COMMISSION AND THE
RESPONDENT**

PART I - INTRODUCTION

1. In response to breaches of Ontario securities law, the Capital Markets Tribunal (the **Tribunal**) may impose restrictions on respondents to protect Ontario investors and capital markets. These restrictions often include bans from acting as directors or officers of issuers. It is critical to fostering fair and efficient capital markets and confidence in capital markets that persons and companies comply with all terms and conditions of the Tribunal's orders, including these bans.

2. Christopher Candusso (**Candusso** or the **Respondent**) contravened Ontario securities law by failing to comply with a director and officer ban imposed in a Tribunal order dated January 20, 2023 (the **January 2023 Order**). The January 2023 Order required Candusso to immediately resign from any positions that he held as a director or officer of an issuer and prohibited him from becoming or acting as a director or officer of any issuer for a period of three years. Candusso remained a director and officer of one non-reporting issuer and became the director and officer of an additional non-reporting issuer in contravention of the director and officer ban. A prohibition from acting as a director or officer of an issuer applies to any issuer, not just reporting issuers.

3. Compliance with Tribunal orders is essential to maintaining the integrity of Ontario's capital markets. When persons disregard the restrictions imposed on them by orders of the Tribunal, this undermines investor confidence and the fairness and efficiency of the capital markets.

PART II - JOINT SETTLEMENT RECOMMENDATION

4. The parties will jointly file a request that the Tribunal issue a Notice of Hearing (the **Notice of Hearing**) to announce that it will hold a hearing (the **Settlement Hearing**) to consider whether, pursuant to sections 127 and 127.1 of the *Securities Act*, RSO 1990, c S.5, as amended (the **Act**), it is in the public interest for the Tribunal to make certain orders against Candusso.

5. The Ontario Securities Commission (the **Commission**) and Candusso jointly recommend settlement of the proceeding (the **Proceeding**) against Candusso in accordance with the terms and conditions set out in this agreement (the **Settlement Agreement**). Candusso consents to the making of an order (the **Order**) substantially in the form attached as Schedule “A” to this Settlement Agreement based on the facts set out herein.

6. For the purposes of the Proceeding, and any other regulatory proceeding commenced by the Commission or another securities regulatory authority, Candusso agrees with the facts set out in Part III of this Settlement Agreement and the conclusions in Part IV and V of this Settlement Agreement.

PART III – AGREED FACTS

A. Factual Background

7. Candusso is a resident of Etobicoke, Ontario.

8. Candusso was a respondent in *Kitmitto (Re)*, file number 2018-70. On January 20, 2023, the Tribunal made the January 2023 Order. Among other things, the Order required Candusso to immediately resign from any positions that he held as a director or officer of an issuer and prohibited him from becoming or acting as a director or officer of any issuer for a period of three years (**D&O Ban**).

9. Candusso became a director and officer of Deuceville Inc. (**Deuceville**) on May 6, 2020, incorporated in Ontario on the same date. Candusso remained an officer and director of Deuceville after the January 2023 Order.

10. On January 11, 2023, Candusso initiated the process of incorporating a new corporation. On January 23, 2023, following the January 2023 Order, Candusso signed incorporation documents, including the consent to act as a director and officer of Caymus Mortgage Capital Inc. (**Caymus**). Caymus was incorporated in Ontario on January 24, 2023, and Candusso became a

director of the corporation on the same date. In addition, on February 15, 2023, Candusso became an officer of Caymus.

11. The two corporations are issuers within the meaning of the Act.
12. Candusso failed to comply with the D&O Ban for approximately two years.
13. On December 20, 2024, the Commission requested Candusso to provide any evidence of his compliance with the D&O Ban.
14. Following the Commission's request, Candusso resigned as a director and officer of Deuceville effective January 16, 2025, and dissolved Caymus effective January 24, 2025.

B. Mitigating Factors

15. Candusso has accepted full responsibility for his conduct.
16. Following the Commission's contact, Candusso resigned from being a director and officer of one issuer and dissolved the other, bringing him into compliance with the D&O Ban in the January 2023 Order.

PART IV - NON-COMPLIANCE WITH ONTARIO SECURITIES LAW

17. By engaging in the conduct described above, the Respondent acknowledges and admits that he breached the D&O Ban in the January 2023 Order and, consequently, contravened Ontario securities law and section 122(1)(c) of the Act, and it is in the public interest to issue an order pursuant to section 127 of the Act.

PART V - TERMS OF SETTLEMENT

18. The Respondent and the Commission agree to the terms of settlement set forth below.
19. The Respondent consents to the Order substantially in the form attached as Schedule "A", pursuant to which it is ordered that:
 - (a) this Settlement Agreement is approved;
 - (b) Candusso shall resign any positions that he holds as a director or officer of any issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;

- (c) Candusso is prohibited from becoming or acting as a director or officer of any issuer from the date of this order until January 20, 2029, pursuant to paragraph 8 of subsection 127(1) of the Act; and
- (d) Candusso shall pay an administrative penalty of \$7,000, for his failure to comply with Ontario securities law, pursuant to paragraph 9 of subsection 127(1) of the Act.

20. Candusso shall pay the amount set out in subparagraph 19(d) by wire transfer to the Commission prior to the issuance of the Order.

21. The Respondent acknowledges that this Settlement Agreement and the Order may form the basis for orders of parallel effect in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to the Respondent. The Respondent should contact the securities regulator of any other jurisdiction in which the Respondent intends to engage in any securities or derivatives-related activities, prior to undertaking such activities.

PART VI - FURTHER PROCEEDINGS

22. If the Tribunal approves this Settlement Agreement, no enforcement proceedings will be continued against the Respondent under Ontario securities law based on the misconduct described in Part III of this Settlement Agreement, unless the Respondent fails to comply with any term in this Settlement Agreement, in which case enforcement proceedings may be brought or continued under Ontario securities law against the Respondent that may be based on, among other things, the facts set out in Part III of this Settlement Agreement as well as the breach of this Settlement Agreement.

23. The Respondent acknowledges that, if the Tribunal approves this Settlement Agreement and the Respondent fails to comply with any term in it, proceedings may be brought in order to ensure compliance with the terms of the Settlement Agreement.

24. The Respondent waives any defences to a proceeding referenced in paragraphs 22 or 23 that are based on the limitation period in the Act, provided that no such proceeding shall be commenced later than six years from the date of the occurrence of the last failure to comply with this Settlement Agreement.

PART VII - PROCEDURE FOR APPROVAL OF SETTLEMENT

25. The parties will seek approval of this Settlement Agreement at the Settlement Hearing before the Tribunal, which shall be held on a date determined by the Tribunal's Governance and Tribunal Secretariat in accordance with this Settlement Agreement and the Tribunal's *Rules of Procedure*.

26. The Respondent will attend the Settlement Hearing in person or by video conference.

27. The parties confirm that this Settlement Agreement sets forth all of the agreed facts that will be submitted at the Settlement Hearing, unless the parties agree that additional facts should be submitted at the Settlement Hearing.

28. If the Tribunal approves this Settlement Agreement:

- (a) the Respondent irrevocably waives all rights to a full hearing, judicial review or appeal of this matter under the Act; and
- (b) neither party will make any public statement that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the Settlement Hearing.

29. Whether or not the Tribunal approves this Settlement Agreement, the Respondent will not use, in any proceeding, this Settlement Agreement or the negotiation or process of approval of this Settlement Agreement as the basis for any attack on the Commission or the Tribunal's jurisdiction, alleged bias, alleged unfairness or any other remedies or challenges that may be available.

PART VIII - DISCLOSURE OF SETTLEMENT AGREEMENT

30. If the Tribunal does not approve this Settlement Agreement or does not make an order substantially in the form of the Order attached as Schedule "A" to this Settlement Agreement:

- (a) this Settlement Agreement and all discussions and negotiations between the parties before the Settlement Hearing will be without prejudice to the Commission and the Respondent; and
- (b) the Commission and the Respondent will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing on the merits of the allegations contained in an Application for Enforcement Proceeding based on the conduct described herein. Any such proceedings, remedies and

challenges will not be affected by this Settlement Agreement, or by any discussions or negotiations relating to this Settlement Agreement.

31. The parties will keep the terms of this Settlement Agreement confidential until the Settlement Hearing, except as is necessary to make submissions at the Settlement Hearing. If, for whatever reason, the Tribunal does not approve the Settlement Agreement, the terms of the Settlement Agreement shall remain confidential indefinitely, unless the parties otherwise agree in writing or if required by law.

PART IX - EXECUTION OF SETTLEMENT AGREEMENT

32. This Settlement Agreement may be signed in one or more counterparts which together constitute a binding agreement.

33. A facsimile copy or other electronic copy of any signature will be as effective as an original signature.

DATED at Etobicoke, Ontario this “23rd” day of March, 2026.

“Eva Candusso”

Witness (print name):

“Christopher Candusso”

CHRISTOPHER CANDUSSO

DATED at Toronto, Ontario, this “24th” day of March, 2026.

ONTARIO SECURITIES COMMISSION

By: “Bonnie Lysyk”

Name: Bonnie Lysyk

Title: Executive Vice President, Enforcement Division

SCHEDULE “A”

BETWEEN:

ONTARIO SECURITIES COMMISSION

(Applicant)

- and -

CHRISTOPHER CANDUSSO

(Respondent)

[Names of Adjudicators comprising the Panel]

File No. [#]

[Date order made]

ORDER

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

WHEREAS on [date], the Capital Markets Tribunal held a hearing [select option,] to consider the joint request for a settlement hearing filed by the Ontario Securities Commission and Christopher Candusso for approval of a settlement agreement dated [date] (the **Settlement Agreement**);

ON READING the joint request for a settlement hearing, the Application for Enforcement Proceeding dated [date], the Settlement Agreement and the written submissions of the Commission, on hearing the submissions of the representatives of the Commission and Candusso, and on being advised by the Commission that it has received payment from the respondent in the amount of \$7,000;

IT IS ORDERED THAT:

1. the Settlement Agreement is approved;
2. Candusso shall resign any positions that he holds as a director or officer of any issuer, pursuant to paragraph 7 of subsection 127(1) of the *Securities Act* (the **Act**);

3. Candusso is prohibited from becoming or acting as a director or officer of any issuer from the date of this order until January 20, 2029, pursuant to paragraph 8 of subsection 127(1) of the *Act*; and

4. Candusso shall pay an administrative penalty of \$7,000, for his failure to comply with Ontario securities law, pursuant to paragraph 9 of subsection 127(1) of the *Act*.

[Name of Adjudicator]

[Name of Panel Chair]

[Name of Adjudicator]