BETWEEN:

ONTARIO SECURITIES COMMISSION

(Applicant)

-and-

ADAM JOSEPH ARQUETTE and
ARQUETTE INSURANCE AND WEALTH MANAGEMENT

(Respondents)

File No. 2025-28

MOTION OF THE ONTARIO SECURITIES COMMISSION

(Extension of Temporary Order under s. 127(8) of the Securities Act, RSO 1990, c S.5)

A. ORDER SOUGHT

The Ontario Securities Commission (the **Commission**) requests, with notice, that the Capital Markets Tribunal (the **Tribunal**) make the following orders:

1. an order pursuant to s. 127(8) and s. 127(1)(2) of the *Securities Act*, RSO 1990, c S.5 (the **Act**) that trading in any securities by Adam Joseph Arquette (**Arquette**), Arquette Insurance and Wealth Management (**AIWM**), or by any person on their behalf, including any act, advertisement, solicitation, conduct, or negotiation, directly or indirectly in furtherance of a trade, shall cease until 4:30p.m. on April 27, 2027, or such other date as the Tribunal considers necessary;

2. an order pursuant to s. 127(8) and s. 127(1)(3) of the Act that any exemptions contained in Ontario securities laws do not apply to Arquette and AIWM until 4:30p.m. on April 27, 2027 or such other date as the Tribunal considers necessary; and

3. such further orders as the Tribunal considers appropriate.

B. GROUNDS

The grounds for the motion are:

The Investigation

1. The Commission is investigating Arquette and AIWM for possible breaches of Ontario securities laws.

2. During the Commission's investigation, the Commission has found evidence of the following:

   a. Arquette is an Ontario resident and the principal of AIWM, a company incorporated under the laws of Canada and resident in Ontario;

   b. Neither Arquette nor AIWM has ever been registered with the Commission in any capacity;

   c. Arquette and AIWM held themselves out as trading and advising in securities and/or traded and advised in securities on behalf of 139 individuals and corporations (**Investors**);

   d. Approximately 103 Investors (**Arquette Clients**) paid fees (or their family members paid fees) to Arquette and AIWM, totalling approximately $1,700,000;

   e. Arquette and AIWM exercised control over the accounts of Investors;

   f. Arquette and AIWM engaged in discretionary trading in the accounts of Investors;

   g. Arquette Clients suffered approximately $9 million in trading losses;

   h. In addition, approximately $14 million in Investor funds were deposited into Arquette and AIWM's bank accounts;

   i. Arquette and AIWM misrepresented the value of Arquette Clients' investment accounts, concealed trading losses, used funds obtained from Investors to pay

Arquette's own personal expenses, including credit card debt, and paid some Investors with funds obtained from other Investors;

j. Arquette impersonated Arquette Clients in communications with brokerages; and

k. Arquette may have breached the temporary cease trade order described below.

The Temporary Order and Extensions

3. On October 27, 2025, the Commission issued a temporary order (the **TCTO**), ordering that:

   a. pursuant to clause 2 of subsection 127(1), trading in any securities by Arquette, AIWM, or by any person on their behalf, including but not limited to any act, advertisement, solicitation, conduct, or negotiation, directly or indirectly in furtherance of a trade shall cease;

   b. pursuant to clause 3 of subsection 127(1), any exemptions contained in Ontario securities laws do not apply to Arquette or AIWM; and

   c. pursuant to subsection 127(6) of the Act, this order shall take effect immediately and shall expire on the 15th day after its making unless extended by order of the Capital Markets Tribunal.

4. On November 10, 2025, the TCTO was extended by the Tribunal until April 27, 2026.

5. On April 27, 2026, the TCTO was further extended by the Tribunal until May 20, 2026.

6. On May 20, 2026 the TCTO was further extended by the Tribunal until October 27, 2026.

Ongoing Investigative Work

7. Since May 2026, the Commission has actively continued its investigation.

8. Arquette attended for the continuation of his compelled examination on June 5, 2026. However, he has failed to deliver answers to undertakings given at his June 5, 2026 compelled examination and his earlier April 14, 2026 examination, despite repeated requests. The answers to undertakings would assist the Commission in its investigation.

9. Since May 2026, and as recently as September 2026, the Commission has received several inquiries from investors who claim to and appear to have lost money to Arquette or as a result of the matters under investigation.

10. Documents received as recently as September 2026 indicate that there were significant deposits to one of Arquette's personal bank accounts (held jointly with his spouse) from an Arquette Client between July and August 2026.

11. Documents received in September 2026 indicate possible additional trading by Arquette after issuance of the TCTO, in violation of the TCTO.

12. As a result of Arquette's testimony at his June 2026 examination, further investigation was required into the intended use of funds (approximately $14,000,000) received by Arquette into his personal accounts or AIWM's accounts from Investors. Arquette testified that Investors gave him their money to hold in his bank account and that those Investors did not intend to earn interest on those funds or have those funds invested on their behalf. As a result of this explanation, the investigation team has had to make further inquiries of Investors.

13. The investigative work is ongoing. Additional time is required to take appropriate next steps and complete the investigation, including

    a. following up on recent investor inquiries, including obtaining documents and, where appropriate, interviewing these investors;

    b. obtaining Arquette's responses to undertakings given at his compelled examinations;

    c. contacting additional Investors once contact information that Arquette undertook to provide is obtained; and

    d. analyzing recently obtained brokerage records, banking information and other documents showing trading activity since the TCTO was issued.

14. The Order sought by the Commission is necessary to protect investors from serious and ongoing harm and is, therefore, in the public interest.

15. The risk of prejudice as a result of the Order is low, given that the respondents are not registered to engage in trading on behalf of others, and there is no evidence that the respondents have any trading accounts in their names.

16. The Commission relies on s. 127(1) and s. 127(8) of the Act and Rule 9(6) of the Tribunal's *Rules of Procedure* (September 17, 2025).

17. The Commission may rely on such further and other grounds as counsel may advise and the Tribunal may permit

C. EVIDENCE

The Commission intends to rely on the following evidence for the motion:

1. the affidavits of Jody Sikora affirmed November 5, 2025 and April 20, 2026, 2026, previously filed;

2. the affidavit of Nicki Butkowsky affirmed May 15, 2026, previously filed;

3. the affidavit of Jody Sikora affirmed October 13, 2026; and

4. such further and other materials as counsel may advise and the Tribunal may permit.

October 13, 2026

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