



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor
20 Queen Street West
Toronto ON M5H 3S8

CP 55, 19^e étage
20, rue queen ouest
Toronto ON M5H 3S8

**IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, c. S.5, AS AMENDED**

- AND -

**IN THE MATTER OF NEST ACQUISITIONS AND MERGERS,
IMG INTERNATIONAL INC., CAROLINE MYRIAM FRAYSSIGNES,
DAVID PELCOWITZ, MICHAEL SMITH, and
ROBERT PATRICK ZUK**

**NOTICE OF HEARING
(Sections 37, 127 and 127.1)**

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to sections 37, 127 and 127.1 of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "*Act*"), at the offices of the Commission at 20 Queen Street West, 17th Floor Hearing Room on Thursday, January 28, 2010 at 10 a.m., or as soon thereafter as the hearing can be held,

TO CONSIDER whether, in the opinion of the Commission, it is in the public interest, pursuant to ss. 127 and 127.1 of the Act to order that:

(a) trading in any securities by the respondents cease permanently or for such period as is specified by the Commission, pursuant to s. 127(1)2 of the *Act*;

(b) the acquisition of any securities by the respondents is prohibited permanently or for such other period as is specified by the Commission, pursuant to s. 127(1)2.1 of the *Act*;

(c) any exemptions contained in Ontario securities law do not apply to the respondents permanently or for such period as is specified by the Commission, pursuant to s. 127(1)3 of the *Act*;

(d) the respondents be reprimanded, pursuant to s. 127(1)6 of the *Act*;

(e) Smith resign one or more positions that he holds as a director or officer of any issuer pursuant to s. 127(1)7 of the *Act*;

(f) the individual respondents be prohibited from becoming or acting as a director or officer of any issuer pursuant to s. 127(1)8 of the *Act*;

(g) the individual respondents be prohibited from becoming or acting as a director or officer of a registrant or investment fund manager, pursuant to ss. 127(1)8.2 and 8.4 of the *Act*;

(h) the individual respondents be prohibited from becoming or acting as a registrant, an investment fund manager, or promoter, pursuant to s. 127(1)8.5 of the *Act*;

(i) the respondents pay an administrative penalty of not more than \$1 million for each failure by that respondent to comply with Ontario securities law, pursuant to s. 127(1)9 of the *Act*;

(j) the respondents disgorge to the Commission any amounts obtained as a result of non-compliance by that respondent with Ontario securities law, pursuant to s. 127(1)10 of the *Act*;

(k) the respondents be ordered to pay the costs of the Commission investigation and the hearing, pursuant to s. 127.1 of the *Act*; and

(l) such other orders as the Commission may deem appropriate.

AND TO CONSIDER whether, in the opinion of the Commission, an order should be made pursuant to section 37 of the *Act* that the respondents cease permanently to telephone from within Ontario to any residence within or outside Ontario for the purpose of trading in any security or any class of securities; and

BY REASON OF the allegations as set out in the Statement of Allegations dated January 18, 2010 and such further additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceedings may be represented by counsel at the hearing;

AND TAKE FURTHER NOTICE that upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceedings.

DATED at Toronto this “18th” day of January 2010.

“Daisy Aranha”

per: John Stevenson
Secretary to the Commission