



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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

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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
DAVID CHARLES PHILLIPS and JOHN RUSSELL WILSON**

**NOTICE OF HEARING
(Sections 127(1) and 127.1)**

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to sections 127(1) and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "*Securities Act*") at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto on June 25, 2012 at 10:00 a.m., or as soon thereafter as the hearing can be held.

AND TAKE NOTICE THAT the purpose of the hearing is to consider whether it is in the public interest for the Commission, at the conclusion of the hearing, to make orders that:

- (a) the registration of each of David Charles Phillips ("Phillips") and John Russell Wilson ("Wilson") be suspended or restricted for such period as is specified by the Commission, or terminated, or that terms and conditions be imposed on the registration of each of Phillips and Wilson, pursuant to clause 1 of subsection 127(1) of the *Securities Act*;
- (b) trading in any securities by or of each of Phillips and Wilson cease permanently or for such period of time as is specified by the Commission, pursuant to clause 2 of subsection 127(1) of the *Securities Act*;

- (c) the acquisition of any securities by each of Phillips and Wilson is prohibited permanently or for such period as is specified by the Commission, pursuant to clause 2.1 of subsection 127(1) of the *Securities Act*;
- (d) any exemptions contained in Ontario securities law do not apply to each of Phillips and Wilson permanently or for such period as is specified by the Commission, pursuant to clause 3 of subsection 127(1) of the *Securities Act*;
- (e) each of Phillips and Wilson resign any position that he holds as a director or officer of an issuer, registrant or investment fund manager, pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the *Securities Act*;
- (f) each of Phillips and Wilson be prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager, pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the *Securities Act*;
- (g) each of Phillips and Wilson be prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter, pursuant to clause 8.5 of subsection 127(1) of the *Securities Act*;
- (h) each of Phillips and Wilson pay an administrative penalty of not more than \$1 million for each failure to comply with Ontario securities law, pursuant to clause 9 of subsection 127(1) of the *Securities Act*;
- (i) each of Phillips and Wilson disgorge to the Commission any amounts obtained as a result of their non-compliance with Ontario securities law, pursuant to clause 10 of subsection 127(1) of the *Securities Act*;
- (j) each of Wilson and Phillips pay the costs of the investigation and hearing, pursuant to section 127.1 of the *Securities Act*; and

- (k) such further order as the Commission considers appropriate in the public interest.

BY REASON OF the allegations as set out in the Statement of Allegations of Staff of the Commission dated June 4, 2012 and such 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 4th day of June, 2012.

"Josée Turcotte"

Per: John Stevenson
Secretary to the Commission