



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22e 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
PATRICK MYLES LOUGH, LYNDA DAWN DAVIDSON and
WAYNE THOMAS ARNOLD BARNES**

**NOTICE OF HEARING
(Subsections 127(1) and 127(10))**

TAKE NOTICE THAT the Ontario Securities Commission (the “Commission”) will hold a hearing pursuant to subsections 127(1) and 127(10) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”), at the offices of the Commission, 20 Queen Street West, 17th Floor, commencing on August 18, 2014 at 10:15 a.m.;

TO CONSIDER whether, pursuant to paragraph 5 of subsection 127(10) of the Act, it is in the public interest for the Commission to make an order:

1. against Patrick Myles Lough (“Lough”) that:
 - a. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities by Lough cease until January 31, 2018, except for (a) trades made in a personal brokerage account, a registered retirement savings plan, a tax-free savings account, or a registered education savings plan, for the benefit of one or more of himself, his spouse, and his children, and (b) trades or acts in furtherance of trades in securities of Mountain Shores Land Ventures Ltd. (“MSLV”), made solely for the purpose of

completing the Dorchester Resort project referred to in the Settlement Agreement and Undertaking between Lough and the Alberta Securities Commission (“ASC”) dated January 31, 2014;

- b. pursuant to paragraph 2.1 of subsection 127(1) of the Act, acquisition of any securities by Lough cease until January 31, 2018, except for (a) trades made in a personal brokerage account, a registered retirement savings plan, a tax-free savings account, or a registered education savings plan, for the benefit of one or more of himself, his spouse, and his children, and (b) trades or acts in furtherance of trades in securities of MSLV, made solely for the purpose of completing the Dorchester Resort project referred to in the Settlement Agreement and Undertaking between Lough and the ASC dated January 31, 2014;
 - c. pursuant to paragraph 3 of subsection 127(1) of the Act, except in respect of securities of MSLV, any exemptions contained in Ontario securities laws do not apply to Lough until January 31, 2018;
 - d. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Lough resign any positions that he holds as director or officer of any issuer, registrant or investment fund manager, except that he may act as a director and officer of MSLV in connection with the Dorchester Resort development project; and
 - e. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Lough be prohibited until January 31, 2018 from becoming or acting as a director or officer of any issuer, registrant or investment fund manager, except that he may act as a director and officer of MSLV in connection with the Dorchester Resort development project;
2. against Lynda Dawn Davidson (“Davidson”) that:
- a. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities by Davidson cease until January 31, 2017, except for (a) trades made in a personal brokerage account, a registered retirement savings plan, a tax-free savings account, or a registered education savings plan, for the benefit of one or more of herself, her

spouse, and her children, and (b) trades or acts in furtherance of trades in securities of MSLV, made solely for the purpose of completing the Dorchester Resort project referred to in the Settlement Agreement and Undertaking between Davidson and the ASC dated January 31, 2014; and

- b. pursuant to paragraph 2.1 of subsection 127(1) of the Act, acquisition of any securities by Davidson cease until January 31, 2017, except for (a) trades made in a personal brokerage account, a registered retirement savings plan, a tax-free savings account, or a registered education savings plan, for the benefit of one or more of herself, her spouse, and her children, and (b) trades or acts in furtherance of trades in securities of MSLV, made solely for the purpose of completing the Dorchester Resort project referred to in the Settlement Agreement and Undertaking between Davidson and the ASC dated January 31, 2014;
 - c. pursuant to paragraph 3 of subsection 127(1) of the Act, except in respect of securities of MSLV, any exemptions contained in Ontario securities laws do not apply to Davidson until January 31, 2017;
 - d. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Davidson resign any positions that she holds as director or officer of any issuer, registrant or investment fund manager, except that she may act as a director and officer of MSLV in connection with the Dorchester Resort development project; and
 - e. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Davidson be prohibited until January 31, 2017 from becoming or acting as a director or officer of any issuer, registrant or investment fund manager, except that she may act as a director and officer of MSLV in connection with the Dorchester Resort development project;
3. against Wayne Thomas Arnold Barnes (“Barnes”) that:
- a. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities by Barnes cease until January 31, 2018, except for trades made in a personal brokerage account, a registered retirement savings plan, a tax-free savings account, or a

registered education savings plan, for the benefit of one or more of himself, his spouse, and his children;

- b. pursuant to paragraph 2.1 of subsection 127(1) of the Act, acquisition of any securities by Barnes cease until January 31, 2018, except for trades made in a personal brokerage account, a registered retirement savings plan, a tax-free savings account, or a registered education savings plan, for the benefit of one or more of himself, his spouse, and his children; and
 - c. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities laws to not apply to Barnes until January 31, 2018.
4. To make such other order or orders as the Commission considers appropriate.

BY REASON of the allegations set out in the Statement of Allegations of Staff of the Commission dated July 24, 2014 and by reason of a Settlement Agreement and Undertaking between Lough, Davidson and Barnes and the ASC dated January 31, 2014, and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that at the hearing on August 18, 2014 at 10:15 a.m., Staff will bring an application to proceed with the matter by written hearing, in accordance with Rule 11 of the Ontario Securities Commission *Rules of Procedure* (2014), 37 OSCB 4095 and section 5.1 of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22, as amended, and any party to the proceeding may make submissions in respect of the application to proceed by written hearing;

AND TAKE FURTHER NOTICE that any party to the proceeding may be represented by counsel if that party attends or submits evidence at the hearing;

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

DATED at Toronto this 25th day of July, 2014.

“Josée Turcotte”

Josee Turcotte
Acting Secretary to the Commission