



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*, RSO 1990, c S.5**

- and -

**IN THE MATTER OF
SAILESHWAR RAO NARAYAN, PROSPERITY DEVELOPMENT GROUP LTD.,
and PROSPERA MORTGAGE INVESTMENT CORPORATION**

**NOTICE OF HEARING
(Subsections 127(1) and 127(10) of the *Securities Act*)**

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*, RSO 1990, c S.5 (the “Act”), at the offices of the Commission, 20 Queen Street West, 17th Floor, commencing on October 31, 2016 at 10:15 a.m., or as soon thereafter as the hearing can be held;

TO CONSIDER whether, pursuant to subsection 127(1) and paragraph 4 of subsection 127(10) of the Act, it is in the public interest for the Commission to make an order:

1. against Saileshwar Rao Narayan (“Narayan”) that:
 - a. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by Narayan cease permanently, except that this order does not preclude him from trading in securities through a registrant (who has first been given a copy of the Order of the Alberta Securities Commission dated August 11, 2016 and a copy of the Order in this proceeding, if granted) in:

- i. registered retirement savings plans, registered retirement income funds, or tax-free savings accounts (as defined in the *Income Tax Act* (Canada)) or locked-in retirement accounts for Narayan's benefit;
 - ii. one other account for Narayan's benefit; or
 - iii. both, provided that:
 - (A) the securities are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange, or NASDAQ (or their successor exchanges) or are issued by a mutual fund that is a reporting issuer; and
 - (B) Narayan does not own legally or beneficially more than 1% of the outstanding securities of the class or series of the class in question;
- b. pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Narayan be prohibited permanently, except that this order does not preclude him from purchasing securities through a registrant (who has first been given a copy of the Order of the Alberta Securities Commission dated August 11, 2016 and a copy of the Order in this proceeding, if granted) in:
- i. registered retirement savings plans, registered retirement income funds, or tax-free savings accounts (as defined in the *Income Tax Act* (Canada)) or locked-in retirement accounts for Narayan's benefit;
 - ii. one other account for Narayan's benefit; or
 - iii. both, provided that:
 - (A) the securities are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange, or NASDAQ (or their successor exchanges) or are issued by a mutual fund that is a reporting issuer; and

- (B) Narayan does not own legally or beneficially more than 1% of the outstanding securities of the class or series of the class in question;
 - c. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Narayan permanently;
 - d. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Narayan resign any positions that he holds as a director or officer of any issuer, registrant or investment fund manager;
 - e. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Narayan be prohibited permanently from becoming or acting as a director or officer of any issuer, registrant or investment fund manager; and
 - f. pursuant to paragraph 8.5 of subsection 127(1) of the Act, Narayan be prohibited permanently from becoming or acting as a registrant, investment fund manager or promoter;
2. against Prosperity Development Group Ltd. (“Prosperity Development”) that:
- a. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities of Prosperity Development cease permanently;
 - b. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by Prosperity Development cease permanently;
 - c. pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Prosperity Development be prohibited permanently; and
 - d. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Prosperity Development permanently;
3. against Prospera Mortgage Investment Corporation (“Prospera Mortgage”) that:

- a. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities of Prospera Mortgage cease permanently;
 - b. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by Prospera Mortgage cease permanently;
 - c. pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Prospera Mortgage be prohibited permanently; and
 - d. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Prospera Mortgage permanently;
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 September 29, 2016, and by reason of an order of the Alberta Securities Commission dated August 11, 2016 and a Statement of Admissions of Narayan, Prosperity Development and Prospera Mortgage dated January 15, 2016, and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that at the hearing on October 31, 2016 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 Commission's *Rules of Procedure* (2014), 37 OSCB 4168 and section 5.1 of the *Statutory Powers Procedure Act*, RSO 1990, c S.22, 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 a representative 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 the party and such party is not entitled to any further notice of the proceeding;

AND TAKE FURTHER NOTICE that the Notice of Hearing is also available in French upon request, participation may be in either French or English and participants must notify the Secretary's Office in writing as soon as possible, and in any event, at least thirty (30) days before a hearing if the participant is requesting a proceeding to be conducted wholly or partly in French; and

ET AVIS EST ÉGALEMENT DONNÉ PAR LA PRÉSENTE que l'avis d'audience est disponible en français sur demande, que la participation à l'audience peut se faire en français ou en anglais et que les participants doivent aviser le Bureau du secrétaire par écrit le plus tôt possible et, dans tous les cas, au moins trente (30) jours avant l'audience si le participant demande qu'une instance soit tenue entièrement ou partiellement en français.

DATED at Toronto this 30th day of September, 2016.

“Robert Blair”

Robert Blair
Acting Secretary to the Commission