

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

-AND-

IN THE MATTER OF JO-ANNE CHANG AND DAVID STONE

ORDER

(Section 127 and 127.1)

WHEREAS on January 16, 2003, the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing pursuant to sections 127(1) and 127.1 of the *Securities Act* in respect of Jo-Anne Chang (“Chang”) and David Stone (“Stone”);

AND WHEREAS Chang and Stone entered into a settlement agreement with Staff of the Commission dated April 8, 2005 (the “Settlement Agreement”) in which they agreed to a proposed settlement of the proceedings commenced by the Notice of Hearing, subject to the approval of the Commission;

AND WHEREAS Staff recommends approval of the Settlement Agreement;

AND UPON reviewing the Settlement Agreement and the Notice of Hearing of Staff of the Commission, and upon hearing submissions of Staff and counsel for Chang and Stone;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order;

IT IS HEREBY ORDERED THAT:

1. The Settlement Agreement attached to this Order as Schedule “A” is hereby approved;
2. Pursuant to clause 2 of subsection 127(1) of the *Act*, Stone shall cease trading in securities permanently, commencing on April 11, 2005, with the exception that Stone shall be permitted to trade in securities limited to:
 - (a) mutual funds, through a registered dealer, in his registered retirement savings plan accounts (as defined in the *Income Tax Act (Canada)*) (“RRSP Accounts”);
 - (b) securities in a managed RRSP Account over which neither Chang nor Stone have discretionary trading authority;
 - (c) government debt securities; and
 - (d) securities of an issuer that is not a reporting issuer pursuant to the securities law of any jurisdiction in Canada.
3. Pursuant to clause 7 of subsection 127(1) of the *Act*, Stone shall resign any position as a director or officer of a reporting issuer commencing April 11, 2005.
4. Pursuant to clause 8 of subsection 127(1) of the *Act*, Stone shall be permanently prohibited from becoming or acting as a director or officer of a reporting issuer commencing on April 11, 2005.
5. Pursuant to clause 6 of subsection 127(1) of the *Act*, Stone shall be reprimanded.
6. Pursuant to clause 2 of subsection 127(1) of the *Act*, Chang shall cease trading in securities for a period of twenty years, commencing on April 11, 2005, with the exception that Chang shall be permitted to trade in securities limited to:
 - (a) mutual funds, through a registered dealer, in her RRSP Accounts;
 - (b) securities in a managed RRSP Account over which neither Chang nor Stone have discretionary trading authority;
 - (c) government debt securities; and

- (d) securities of an issuer that is not a reporting issuer pursuant to the securities law of any jurisdiction in Canada.
7. Pursuant to clause 7 of subsection 127(1) of the *Act*, Chang shall resign any position as a director or officer of a reporting issuer commencing April 11, 2005.
 8. Pursuant to clause 8 of subsection 127(1) of the *Act*, Chang shall be prohibited from becoming or acting as a director or officer of a reporting issuer for a period of ten years, commencing on April 11, 2005.
 9. Pursuant to clause 6 of subsection 127(1) of the *Act*, Chang shall be reprimanded.
 10. Chang and Stone will pay the following amounts to the Commission (collectively, the “Settlement Amounts”)
 - (a) \$950,384.80 as disgorgement of monies obtained as a result of the non-compliance with Ontario securities law and for the allocation to or for the benefit of third parties under section 3.4(2) of the *Act*
 - (b) \$126,820 as disgorgement of interest accrued on monies obtained as a result of non-compliance with Ontario securities law and for the allocation to or for the benefit of third parties under section 3.4(2) of the *Act*
 - (c) pursuant to section 127.1 of the *Act*, \$100,000 in respect of a portion of the costs of the investigation and hearing in relation to his matter; and
 - (d) \$311,180.20 for allocation to or for the benefit of third parties under section 3.4(2) of the *Act*.
 11. Pursuant to section 126(7) of the *Act*, Chang and Stone will apply to the Commission for an Order:
 - (a) varying the Directions and authorizing and directing RBC Dominion Securities Inc. and RBC Dominion Securities Global Limited to pay \$1,488,385 to the Commission, in satisfaction of the Settlement Amounts; and

(b) providing that immediately upon the making of the payment of the Settlement Amounts as set out in 11(a), the Directions shall be revoked.

12. notwithstanding subparagraphs (a) and (e), Chang and Stone shall be permitted to trade for 30 days from the date of the Order in order to dispose of securities owned by Chang and/or Stone as of the date of the Order

DATED at Toronto this 11th day of April, 2005.

“Wendell S. Wigle”

Wendell S. Wigle

“David L. Knight”

David L. Knight