



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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

and

**IN THE MATTER OF PALADIN CAPITAL MARKETS INC. ,
JOHN DAVID CULP, AND CLAUDIO FERNANDO MAYA**

ORDER

Subsections 127(1), 127(7) and 127(8)

WHEREAS on June 2, 2009, the Ontario Securities Commission (the "Commission") issued a temporary order (the "Temporary Order") pursuant to subsections 127(1) and 127(5) of the Securities Act, R.S.O. 1990, c. S.5, as amended (the "Act") ordering that:

1. Under subsection 127(1)1 of the Act, the registration of Paladin Capital Markets Inc. ("Paladin") and John David Culp ("Culp") be suspended;
2. Under subsection 127(1)2 of the Act, all trading in any securities by the Respondents cease;
3. Under subsection 127(1)2 of the Act, all trading in securities of Paladin cease; and
4. Under subsection 127(1)3 of the Act, all exemptions contained in Ontario securities law do not apply to the Respondents;

AND WHEREAS on June 2, 2009, the Commission ordered that the Temporary Order shall expire on the 15th day after its making unless extended by order of the Commission;

AND WHEREAS on June 4, 2009 the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on June 15, 2009 at 10:00 a.m;

AND WHEREAS the Commission held a hearing on June 15, 2009 to consider whether to extend the Temporary Order;

AND WHEREAS counsel for Staff, Claudio Fernando Maya (“Maya”) and Culp, on his own behalf and for Paladin, appeared at the hearing held on June 15, 2009;

AND WHEREAS Culp, on his own behalf and for Paladin, consented to the extension of the Temporary Order to September 30, 2009;

AND WHEREAS Maya consented to the extension of the Temporary Order to September 30, 2009, subject to his right to contest the Temporary Order by hearing on July 2, 2009 at 2:30 p.m.;

AND WHEREAS on July 2, 2009, the Commission heard submissions from Staff and Maya as to the continuation of the Temporary Order against Maya;

AND WHEREAS on July 2, 2009, with reasons issued on July 10, 2009, the Commission was not satisfied that Maya had provided satisfactory information not to extend the temporary order;

AND WHEREAS the Commission held a hearing on September 29, 2009 to consider whether to extend the Temporary Order;

AND WHEREAS Maya and Culp, on his own behalf and for Paladin, and counsel for Staff, appeared at the hearing held on September 29, 2009;

AND WHEREAS the parties consented to the extension of the Temporary Order to December 1, 2009;

AND WHEREAS the Commission held a hearing on November 30, 2009 to consider whether to extend the Temporary Order;

AND WHEREAS counsel for Staff and Culp, on his own behalf and for Paladin, appeared at the hearing held on November 30, 2009;

AND WHEREAS counsel for Staff spoke to and provided an email in respect of Maya's consent to an extension to the Temporary Order for a further two months;

AND WHEREAS at the hearing on November 30, 2009, Culp, on his own behalf and for Paladin, and counsel for Staff consented to the extension of the Temporary Order to February 3, 2010;

AND WHEREAS the Commission held a hearing on February 2, 2010 to consider whether to extend the Temporary Order;

AND WHEREAS counsel for Staff but none of the Respondents appeared at the hearing held on February 2, 2010;

AND WHEREAS counsel for Staff spoke to and provided emails in respect of the Respondents' consents to an extension to the Temporary Order until March 23, 2010;

AND WHEREAS the Commission held a hearing on March 22, 2010 to consider whether to extend the Temporary Order;

AND WHEREAS on March 22, 2010 counsel for Staff and Maya attended in person at the hearing and Culp, on his own behalf and for Paladin, attended by telephone;

AND WHEREAS the parties consented to a final extension of the Temporary Order until June 15, 2010 to conclude potential settlements and to allow Maya to seek legal advice;

AND WHEREAS Staff advised that it would file a Statement of Allegations and seek the issuance of a Notice of Hearing for a hearing on the merits prior to June 15, 2010 if resolutions cannot be reached with the Respondents;

AND WHEREAS on March 22, 2010, the Commission ordered that the Temporary Order be extended to June 16, 2010 and that the hearing be adjourned to June 15, 2010;

AND WHEREAS Staff filed a Statement of Allegations dated June 9, 2010 and the Commission issued a Notice of Hearing on June 10, 2010 in this matter;

AND WHEREAS the Commission issued a Notice of Hearing on June 10, 2010 to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and the respondents, Paladin and Culp, on July 19, 2010 at 11:00 a.m.;

AND WHEREAS the Commission held a hearing on June 15, 2010 to consider whether to extend the Temporary Order and to consider the formal hearing commenced by Notice of Hearing on June 10, 2010;

AND WHEREAS on June 15, 2010 counsel for Staff and counsel for Maya attended in person at the hearing and Culp, on his own behalf and for Paladin, did not attend due to illness;

AND WHEREAS Staff and the Respondents consented to setting a confidential pre-hearing conference for August, 5, 2010;

AND WHEREAS Staff and the Respondents consented to an extension of the Temporary Order until August 6, 2010;

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

AND WHEREAS by Commission order made August 31, 2009, pursuant to section 3.5(3) of the Act, any one of W. David Wilson, James E. A. Turner, David L. Knight, Carol S. Perry, Patrick J. LeSage, James D. Carnwath and Mary G. Condon, acting alone is authorized to exercise the powers of the Commission under the Act, subject to subsection 3.5(4) of the Act, to make orders under section 127 of the Act;

IT IS ORDERED that

1. pursuant to subsections 127(7) and 127(8), the Temporary Order is extended until August 6, 2010; and
2. the hearing is adjourned to a confidential pre-hearing conference to be held on August 5, 2010 at 10:00 a.m.

Dated at Toronto this 15th day of June 2010

“James E. A. Turner”

James E. A. Turner