



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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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 QUANTFX ASSET MANAGEMENT INC., VADIM TSATSKIN,
LUCIEN SHTROMVASER and ROSTISLAV ZEMLINSKY**

- AND -

IN THE MATTER OF ROSTISLAV ZEMLINSKY

**ORDER
(Sections 37 and 127(1))**

WHEREAS on March 24, 2011, the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing pursuant to sections 37 and 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) in respect of Rostislav Zemlinsky (“Zemlinsky”);

AND WHEREAS Zemlinsky entered into a Settlement Agreement with Staff of the Commission dated March 23, 2011 (the “Settlement Agreement”) in which Zemlinsky agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing, subject to the approval of the Commission;

AND UPON reviewing the Settlement Agreement, the Notice of Hearing, and the Statement of Allegations of Staff of the Commission, and upon hearing submissions from counsel for Zemlinsky and from Staff of the Commission;

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

IT IS HEREBY ORDERED THAT:

(a) the Settlement Agreement is approved;

(b) trading in any securities by Zemlinsky cease for 2 years from the date of the approval of the Settlement Agreement, subject to a carve-out to allow him to trade securities for the account of any registered retirement savings plans and/or any registered retirement income funds (as defined in the Income Tax Act (Canada)) in which he and/or his spouse have sole legal and beneficial ownership, provided that:

- i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges), are issued by a mutual fund that is a reporting issuer or are debt securities;
- ii) he does not own legally or beneficially (in the aggregate, together with his spouse) more than one percent of the outstanding securities of the class or series of the class in question; and
- iii) he carries out any permitted trading through a registered dealer (which dealer must be given a copy of this order) and through accounts opened in his name only (and he must close any trading accounts that are not in his name only).

(c) the acquisition of any securities by Zemlinsky is prohibited for 2 years from the date of the approval of the Settlement Agreement, subject to a carve-out to allow him to trade securities for the account of any registered retirement savings plans and/or any registered retirement income funds (as defined in the Income Tax Act (Canada)) in which he and/or his spouse have sole legal and beneficial ownership, provided that:

- i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges), are issued by a mutual fund that is a reporting issuer or are debt securities;
- ii) he does not own legally or beneficially (in the aggregate, together with his spouse) more than one percent of the outstanding securities of the class or series of the class in question; and
- iii) he carries out any permitted trading through a registered dealer (which dealer must be given a copy of this order) and through accounts opened in his name only (and he must close any trading accounts that are not in his name only);

- (d) any exemptions contained in Ontario securities law do not apply to Zemlinsky for 5 years from the date of the approval of the Settlement Agreement;
- (e) Zemlinsky is reprimanded;
- (f) Zemlinsky is prohibited for 5 years from the date of this Order from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager;
- (g) Zemlinsky is prohibited for 5 years from the date of this Order from becoming or acting as a registrant, as an investment fund manager or as a promoter;
- (h) Zemlinsky shall pay an administrative penalty of \$7,500 for his failure to comply with Ontario securities law, to be paid to or for the benefit of third parties designated by the Commission, pursuant to s.3.4(2) of the Act;
- (i) Zemlinsky shall disgorge to the Commission \$5,427 obtained as a result of his non-compliance with Ontario securities law, to be paid to or for the benefit of third parties designated by the Commission, pursuant to s.3.4(2) of the Act; and
- (j) Zemlinsky shall cease for 5 years, from the date of the approval of the Settlement Agreement, to telephone from within Ontario to any residence within or outside Ontario for the purpose of trading in any security or any class of securities.

DATED at Toronto this 28th day of March, 2011.

“James D. Carnwath”

James D. Carnwath