



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor CP 55, 19^e étage
20 Queen Street West 20, rue queenouest
Toronto ON M5H 3S8 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
FIRESTAR CAPITAL MANAGEMENT CORP.,
KAMPOSSE FINANCIAL CORP., FIRESTAR INVESTMENT MANAGEMENT
GROUP, MICHAEL CIAVARELLA and MICHAEL MITTON**

- AND -

IN THE MATTER OF MICHAEL CIAVARELLA

**ORDER
(Subsection 127(1))**

WHEREAS on December 21, 2004, the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) in connection with a Statement of Allegations filed by Staff of the Commission (“Staff”) on December 21, 2004;

AND WHEREAS Michael Ciavarella (the “Respondent”) entered into a settlement agreement with Staff dated May 17, 2011 (the “Settlement Agreement”) in which the Respondent agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing dated May 16, 2011, subject to the approval of the Commission;

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

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) pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by the Respondent cease for a period of 5 years from the date of the approval of this Settlement Agreement, with the following exceptions:
 - (i) the Respondent is permitted to trade securities in mutual funds through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act* (Canada)); and
 - (ii) that the Respondent is permitted to trade shares in a “private company” as defined in section 1 of the Act;
- (c) pursuant to clause 2.1 of subsection 127(1) of the Act, the Respondent is prohibited for a period of 5 years from the date of the approval of this Settlement Agreement from the acquisition of any securities, with the following exceptions:
 - (i) the Respondent is permitted to acquire securities in mutual funds through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act* (Canada)); and
 - (ii) that the Respondent is permitted to acquire shares in a “private company” as defined in section 1 of the Act;
- (d) pursuant to clause 3 of subsection 127(1) of the Act that any exemptions contained in Ontario securities law do not apply to the Respondent for a period of 5 years from the date of the approval of this Settlement Agreement;
- (e) pursuant to clause 6 of subsection 127(1) of the Act, the Respondent is reprimanded;

- (f) pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the Act that the Respondent resign any position he may hold as an officer or director of any public corporation, private corporation, registrant or investment fund manager;
- (g) pursuant to clauses 8 and 8.4 of subsection 127(1) of the Act that the Respondent be prohibited from becoming or acting as a director or officer of any Canadian public corporation, reporting issuer or investment fund manager for a period of 5 years from the date of the approval of this Settlement Agreement;
- (h) pursuant to clause 8.5 of subsection 127(1) of the Act that the Respondent be prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter for a period of 5 years from the date of the approval of this Settlement Agreement; and
- (i) with the consent of the Respondent, the Respondent will make a payment to the Commission of the sum of \$100,000 by no later than June 30, 2011 to be distributed as though it were a payment made pursuant to subsection 3.4(2)(b) of the Act.

DATED at Toronto this 17th day of May, 2011.

“James D. Carnwath”

James D. Carnwath