



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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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
RICHVALE RESOURCE CORPORATION, MARVIN WINICK, HOWARD
BLUMENFELD, JOHN COLONNA, PASQUALE SCHIAVONE, and
SHAFI KHAN**

- AND -

**IN THE MATTER OF A SETTLEMENT AGREEMENT
BETWEEN STAFF OF THE ONTARIO SECURITIES COMMISSION
AND JOHN COLONNA**

ORDER

WHEREAS on November 10, 2010, the Commission issued a Notice of Hearing pursuant to section 127 of the Securities Act (the "Act") in respect of John Colonna ("Colonna" or the "Respondent");

AND WHEREAS on November 10, 2010, Staff of the Commission filed a Statement of Allegations and on September 13, 2011 filed an Amended Statement of Allegations;

AND WHEREAS the Respondent entered into a Settlement Agreement dated October 13, 2011 (the "Settlement Agreement") in relation to the matters set out in the Amended Statement of Allegations;

AND WHEREAS the Commission issued a Notice of Hearing dated October 13, 2011, setting out that it proposed to consider the Settlement Agreement;

UPON reviewing the Settlement Agreement, the Notice of Hearing, the Statement of Allegations, and upon considering submissions from the Respondent through their counsel 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:

1. the Settlement Agreement is hereby approved;

2. pursuant to clause 2 of subsection 127(1) of the Act, Colonna shall cease trading in any securities for a period of 20 years with the exception that immediately following full payment of the disgorgement order and administrative penalty set out herein Colonna shall be permitted to trade securities through a registrant and only for the account of his registered retirement savings plan as defined in the *Income Tax Act*, 1985, c.1, as amended (the "*Income Tax Act*");
3. pursuant to clause 2.1 of subsection 127(1) of the Act, Colonna shall cease acquisitions of any securities for a period of 20 years, except acquisitions undertaken in connection with his registered retirement savings plan account (as defined in the *Income Tax Act*) and only following full payment of the disgorgement order and administrative penalty set out herein;
4. pursuant to clause 3 of subsection 127(1) of the Act, any exemptions in Ontario securities law do not apply to Colonna for a period of 20 years, except to the extent such exemption is necessary for trades undertaken in connection with his registered retirement savings plan account (as defined in the *Income Tax Act*), which trades must be conducted through a registrant and only following full payment of the disgorgement order and administrative penalty set out herein;
5. pursuant to clause 6 of subsection 127(1) of the Act, that Colonna be reprimanded;
6. pursuant to clause 8 of subsection 127(1) of the Act, that Colonna is prohibited for a period of 20 years from becoming or acting as director or officer of any issuer;
7. pursuant to clause 8.5 of subsection 127(1) of the Act, that Colonna is prohibited for a period of 20 years from becoming or acting as a registrant;
8. pursuant to clause 9 of subsection 127(1) of the Act, that Colonna pay an administrative penalty in the amount of \$65,000 for his non-compliance with Ontario securities law to be allocated under section 3.4(2)(b) to or for the benefit of third parties;
9. pursuant to clause 10 of subsection 127(1) of the Act, Colonna disgorge to the Commission the amount of \$20,000 to be allocated under section 3.4(2)(b) to or for the benefit of third parties; and
10. as set out in paragraphs 8 and 9, above, Colonna shall pay a total amount of \$85,000, to be allocated to or for the benefit of third parties under s. 3.4(2) of the Act; this amount shall be paid by an initial installment of \$3,000 in the form of a certified cheque at the time of the settlement hearing and the remaining \$82,000 shall be paid in equal quarterly installments over a period of 10 years from the date this Agreement is executed.

DATED at Toronto this 14th day of October, 2011.

“James E. A. Turner”

James E.A. Turner