



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

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

ORDER

(Subsections 127(1) and 127(8))

WHEREAS on March 19, 2010, the Ontario Securities Commission (the “Commission”) issued a temporary cease trade 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 (i) all trading in the securities of Richvale Resource Corporation (“Richvale”) shall cease and (ii) Richvale and its representatives, including Marvin Winick (“Winick”), Howard Blumenfeld (“Blumenfeld”), Pasquale Schiavone (“Schiavone”) and Shafi Khan (“Khan”) cease trading in all securities (the “Temporary Order”);

AND WHEREAS on March 19, 2010, the Commission issued directions under subsection 126(1) of the Act freezing assets in bank accounts in the name of Richvale and Khan;

AND WHEREAS on April 1, 2010, the Commission ordered that the Temporary Order be amended as follows to create the “Amended Temporary Order”:

- i. the name “PAQUALE SCHIAVONE” in the style of cause was amended to “PASQUALE SCHIAVONE”;
- ii. paragraph 5 of the Temporary Order was amended to read as follows: Shafi Khan (“Khan”) is acting as a representative of Richvale;

- iii. paragraph 9(i) was amended to read as follows: trading in securities of Richvale without proper registration or an appropriate exemption from the registration requirements under the Act contrary to section 25 of the Act; and
- iv. it was further ordered pursuant to clause 2 of subsection 127 (1) of the Act that any exemptions contained in Ontario securities laws in respect of Richvale, Winick, Blumenfeld, Schiavone and Khan are removed;

AND WHEREAS the Amended Temporary Order was extended on April 1, 2010 and June 3, 2010;

AND WHEREAS on November 10, 2010, the Commission issued a Notice of Hearing pursuant to sections 37, 127 and 127.1 of the Act accompanied by a Statement of Allegations, dated November 10, 2010, filed by Staff with respect to Richvale, Winick, Blumenfeld, John Colonna (“Colonna”), Schiavone and Khan;

AND WHEREAS on December 2, 2010, the Amended Temporary Order was extended until the conclusion of the hearing on the merits;

AND WHEREAS on February 28, 2011, the Commission ordered that the hearing on the merits in this matter is scheduled to commence on October 17, 2011, at 10:00 a.m. and continue each day through to October 24, 2011, and from October 26, 2011, each day through to October 31, 2011, or as soon thereafter as may be fixed by the Secretary to the Commission;

AND WHEREAS on September 13, 2011, Staff filed an Amended Statement of Allegations with respect to Richvale, Winick, Blumenfeld, Colonna, Schiavone and Khan;

AND WHEREAS on October 14, 2011, the Commission approved Settlement Agreements entered into by Staff and Colonna, Khan, Winick and Blumenfeld, respectively;

AND WHEREAS on October 14, 2011, the hearing on the merits was adjourned to October

20, 2011, to give Staff an opportunity to prepare materials for a Written Hearing pursuant to Rule 11 of the *Ontario Securities Commission Rules of Procedure* (the “Rules of Procedure”) against Schiavone and Richvale (the “Remaining Respondents”);

AND WHEREAS on October 19, 2011, the hearing on the merits, which was to commence October 20, 2011, was adjourned to October 26, 2011;

AND WHEREAS on October 26, 2011, a hearing was held;

AND WHEREAS at the hearing on October 26, 2011, Staff of the Commission appeared and made submissions requesting that the matter continue as a Written Hearing under Rule 11 of the Rules of Procedure;

AND WHEREAS the Remaining Respondents did not appear at the hearing on October 26, 2011, but counsel for Schiavone provided his written consent to the continuation of the matter in writing, subject to Schiavone’s right to attend and be heard by the Commission;

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

IT IS ORDERED that pursuant to Rule 11.5 of the Rules of Procedure, the oral hearing in this matter shall continue as a written hearing;

IT IS FURTHER ORDERED that on or before November 25, 2011, the Respondents shall serve upon Staff and file with the Commission any affidavits or other documents they wish the panel to consider as evidence;

IT IS FURTHER ORDERED that on or before November 25, 2011, the Respondents shall serve upon Staff and file with the Commission a witness list and witness summaries, as defined in Rule 4.5, for each witness they intend to call when the oral hearing in this matter continues.

IT IS FURTHER ORDERED that this matter shall return before the Commission commencing at 10:00 a.m. on January 12 and 13, 2012, and shall at that time continue as an oral hearing to allow any necessary *viva voce* evidence and to provide an opportunity for the panel and the parties to ask questions.

DATED at Toronto this 26th day of October, 2011.

“Edward P. Kerwin”

Edward P. Kerwin