



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

P.O. Box 55, 19<sup>th</sup> Floor  
20 Queen Street West  
Toronto ON M5H 3S8

CP 55, 19<sup>e</sup> étage  
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  
FIRESTAR CAPITAL MANAGEMENT CORP.,  
KAMPOSSE FINANCIAL CORP., FIRESTAR INVESTMENT MANAGEMENT  
GROUP, MICHAEL CIAVARELLA AND MICHAEL MITTON**

**TEMPORARY ORDER  
(Section 127)**

**WHEREAS** on December 10, 2004, the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing pursuant to s.127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) to consider whether it is in the public interest to extend the Temporary Orders made on December 10, 2004 ordering that trading in shares of Pender International Inc. by Firestar Capital Management Corp. (“Firestar Capital”), Kamposse Financial Corp. (“Kamposse”), Firestar Investment Management Group (“Firestar Investment”), Michael Mitton (“Mitton”), and Michael Ciavarella (“Ciavarella”) (collectively, the “Respondents”) cease until further order by the Commission;

**AND WHEREAS** on December 17, 2004, the Commission ordered that the hearing to consider whether to extend the Temporary Orders should be adjourned until February 4, 2005 and the Temporary Orders continued until that date;

**AND WHEREAS** on December 17, 2004, the Commission ordered that the Temporary Order against Michael Mitton should also be expanded such that Michael Mitton shall not trade in any securities in Ontario until the hearing on February 4, 2005;

**AND WHEREAS** a Notice of Hearing and Statement of Allegations were issued on December 21, 2004;

**AND WHEREAS** on February 2, 2005, the hearing to consider whether to continue the Temporary Orders was adjourned until May 26, 2005 and the Temporary Orders were continued until May 26, 2005;

**AND WHEREAS** on March 9, 2005, the hearing to consider whether to continue the Temporary Orders was adjourned until June 29 and 30, 2005 and the Temporary Orders were continued until June 30, 2005;

**AND WHEREAS** on June 29, 2005, the hearing to consider whether to continue the Temporary Orders was adjourned until November 23 and 24, 2005 and the Temporary Orders were continued until November 24, 2005;

**AND WHEREAS** on November 21, 2005, the hearing to consider whether to continue the Temporary Orders was adjourned until January 30 and 31, 2006 and the Temporary Orders were continued until January 31, 2006;

**AND WHEREAS** on January 30, 2006, the hearing to consider whether to continue the Temporary Orders was adjourned until July 31, 2006 and the Temporary Orders were continued until July 31, 2006;

**AND WHEREAS** on July 31, 2006, the hearing to consider whether to continue the Temporary Orders was adjourned until October 12, 2006 and the Temporary Orders were continued until October 12, 2006;

**AND WHEREAS** on October 12, 2006, the hearing to consider whether to continue the Temporary Orders was adjourned until October 12, 2007 and the Temporary Orders were continued until October 12, 2007;

**AND WHEREAS** on October 12, 2007, the hearing to consider whether to continue the Temporary Orders was adjourned until March 31, 2008 and the Temporary Orders were continued until March 31, 2008;

**AND WHEREAS** on March 31, 2008, the hearing to consider whether to continue the Temporary Orders was adjourned until June 2, 2008 and the Temporary Orders were continued until June 2, 2008;

**AND WHEREAS** on June 2, 2008, the hearing to consider whether to continue the Temporary Orders was adjourned until December 1, 2008 and the Temporary Orders were continued until December 1, 2008;

**AND WHEREAS** on December 1, 2008, the hearing to consider whether to continue the Temporary Orders was adjourned until January 11, 2010 and the Temporary Orders were continued until January 11, 2010;

**AND WHEREAS** on January 11, 2010, the hearing to consider whether to continue the Temporary Orders was adjourned until March 7, 2011 and the Temporary Orders were continued until March 8, 2011;

**AND WHEREAS** on March 7, 2011, the hearing to consider whether to continue the Temporary Orders was adjourned until April 26, 2011 and the Temporary Orders were continued until April 27, 2011;

**AND WHEREAS** on April 26, 2011, the hearing to consider whether to continue the Temporary Orders was adjourned until May 31, 2011 and the Temporary Orders were continued until June 1, 2011;

**AND WHEREAS** Ciavarella and Mitton were charged on September 26, 2006 under the Criminal Code with offences of fraud, conspiracy to commit fraud, laundering the proceeds of crime, possession of proceeds of crime and extortion for acts related to this matter;

**AND WHEREAS** Staff of the Commission (“Staff”) advised that on March 22, 2007, Mitton was convicted of numerous charges under the Criminal Code and sentenced to a term of imprisonment of seven years;

**AND WHEREAS** on May 17, 2011, a settlement agreement between Staff and Ciavarella was approved by the Commission;

**AND WHEREAS** Staff advised that on May 18, 2011, the Criminal Code charges against Ciavarella before the Superior Court of Justice (Ontario) were stayed;

**AND WHEREAS** on May 31, 2011, Staff appeared before the Commission and no one appeared for any of the remaining Respondents;

**AND WHEREAS** on May 31, 2011, the Temporary Orders were continued until July 28, 2011 and the hearing to consider whether to continue the Temporary Orders was adjourned until July 27, 2011;

**AND WHEREAS** on July 27, 2011, Staff appeared before the Commission and no one appeared for any of the remaining Respondents;

**AND WHEREAS** Staff requested that the hearing be adjourned for one month for the purpose of exploring settlement with certain Respondents;

**AND WHEREAS** Staff further requested that the Temporary Orders be extended for the same period;

**AND WHEREAS** the Commission ordered that the Temporary Orders currently in place as against Firestar Capital, Kamposse, Firestar Investment, and Mitton be further continued until

August 30, 2011 and the hearing to consider whether to continue the Temporary Orders be adjourned to August 29, 2011;

**AND WHEREAS** on August 29, 2011, Staff and counsel for Firestar Investment and Firestar Capital appeared before the Commission and no one appeared on behalf of the remaining Respondents;

**AND WHEREAS** the Commission was satisfied that Staff took reasonable efforts to serve the Respondents with notice of the hearing;

**AND WHEREAS** counsel for Firestar Investment and Firestar Capital advised the Panel that he had only recently been retained and requested additional time to consider his client's position;

**AND WHEREAS** Staff did not oppose a short adjournment;

**AND WHEREAS** on August 29, 2011, the Commission ordered that the Temporary Orders currently in place as against Firestar Capital, Kamposse, Firestar Investment, and Mitton be further continued until October 4, 2011 and the hearing to consider whether to continue the Temporary Orders was adjourned to October 3, 2011;

**AND WHEREAS** on October 3, 2011, Staff and counsel for Firestar Investment and Firestar Capital appeared before the Commission and no one appeared on behalf of the remaining Respondents;

**AND WHEREAS** the Commission was satisfied that Staff took reasonable efforts to serve the Respondents with notice of the hearing;

**AND WHEREAS** Staff requested that the hearing be adjourned to November 23, 2011, for the purpose of continuing to explore settlement with certain Respondents;

**AND WHEREAS** Staff further requested that the Temporary Orders be extended for the same period;

**AND WHEREAS** on October 3, 2011, the Commission ordered that the Temporary Orders currently in place as against Firestar Capital, Kamposse, Firestar Investment and Mitton be further continued until November 24, 2011, and the hearing to consider whether to continue the Temporary Orders was adjourned to November 23, 2011;

**AND WHEREAS** on November 23, 2011, Staff and counsel for Firestar Capital and Firestar Investment appeared before the Commission and no one appeared on behalf of the remaining Respondents;

**AND WHEREAS** the Commission was satisfied that Staff took reasonable efforts to serve the Respondents with notice of the hearing;

**AND WHEREAS** Staff requested that the Temporary Orders be extended to January 30, 2012 and counsel for Firestar Capital and Firestar Investment consented to this extension;

**AND WHEREAS** on November 23, 2011, the Commission ordered that the Temporary Orders currently in place as against Firestar Capital, Kamposse, Firestar Investment and Mitton be further continued until January 31, 2012, and the hearing to consider whether to continue the Temporary Orders was adjourned to January 30, 2012;

**AND WHEREAS** on December 9, 2011, a settlement agreement between Staff and Mitton was approved by the Commission;

**AND WHEREAS** on January 30, 2012, Staff appeared before the Commission and no one appeared on behalf of the remaining Respondents;

**AND WHEREAS** the Commission was satisfied that Staff took reasonable efforts to serve the Respondents with notice of the hearing;

**AND WHEREAS** on January 30, 2012, Staff requested that the matter be adjourned to March 29, 2012 for the purpose of conducting a confidential pre-hearing conference, and that the Temporary Orders be extended to March 30, 2012;

**AND WHEREAS** Staff advised the Commission that counsel to Firestar Capital and Firestar Investment consented to adjourning the hearing for a pre-hearing conference;

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

**IT IS ORDERED** that the hearing be adjourned to March 29, 2012 at 10:00 a.m. for the purposes of a pre-hearing conference, or such other date as agreed to by the parties and confirmed by the Office of the Secretary;

**IT IS FURTHER ORDERED** that the Temporary Orders currently in place as against Firestar Capital, Kamposse, and Firestar Investment are further continued until March 30, 2012, or until further order of the Commission.

**DATED** at Toronto this 30<sup>th</sup> day of January, 2012.

*“James E. A. Turner”*

---

James E.A. Turner