



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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

CP 55, 19^e 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 MEGA-C POWER CORPORATION, RENE PARDO,
GARY USLING, LEWIS TAYLOR SR., LEWIS TAYLOR JR., JARED TAYLOR,
COLIN TAYLOR AND 1248136 ONTARIO LIMITED**

- and -

**IN THE MATTER OF A SETTLEMENT AGREEMENT
BETWEEN STAFF OF THE ONTARIO SECURITIES COMMISSION
AND RENE PARDO**

**ORDER
(Section 127)**

WHEREAS on November 16, 2005, the Commission issued a Notice of Hearing accompanied by Staff's Statement of Allegations in relation to the Respondents and on February 6, 2007, the Commission issued an Amended Notice of Hearing pursuant to sections 127 and 127.1(1) and (2) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"),

AND WHEREAS Rene Pardo ("Pardo") entered into a settlement agreement dated August 15, 2012, (the "Settlement Agreement") in which he agreed to a settlement of the proceeding commenced by the Notice of Hearing dated November 16, 2005, subject to the approval of the Commission;

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

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

IT IS ORDERED THAT:

1. The Settlement Agreement between Rene Pardo and Staff of the Commission is approved;
2. Pursuant to clause 2 of subsection 127(1) of the Act, Pardo shall cease trading in securities for a period of two years from the date of this Order of the Commission approving the Settlement Agreement, subject to the following exceptions:
 - (i) Pardo shall be permitted to trade in securities through a registrant in registered retirement savings plans, registered retirement income funds or tax-free savings accounts (as defined in the *Income Tax Act (Canada)* or locked-in retirement accounts in which he has sole legal and beneficial ownership and interest, provided that:
 1. the securities are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund that is a reporting issuer, and
 2. Pardo does not own legally or beneficially more than 1% of the outstanding securities of the class or series of the class in question.
 - (ii) Pardo shall be permitted to trade in the securities of Brainwave Research Corporation and Brainwave Products Inc. (the “Brainwave Entities”). In particular, he is permitted to sell his shares in those companies if and when either or both of them are acquired. He is also permitted to attend and participate in meetings and presentations, and perform all necessary functions ancillary to any sale or placement of securities in either of the Brainwave Entities; and
 - (iii) All of Pardo’s trading in the securities of Brainwave shall be conducted in compliance with Ontario securities law, and with the advice and assistance of an Ontario law firm with the relevant expertise in the area of securities law and laws governing the distribution of securities;

3. Pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law will not apply to Pardo for a period of two years from the date of this Order of the Commission approving the Settlement Agreement, except with respect to trading of the securities of the Brainwave Entities as described in paragraph 2 above;
4. Pursuant to clause 6 of subsection 127(1) of the Act, Pardo is reprimanded;
5. Pursuant to clause 7 of subsection 127(1) of the Act, Pardo shall resign as director or officer of any issuer on the date of this Order of the Commission approving the Settlement Agreement, except for 503124 Ontario Ltd., the Brainwave Entities and Intelligent Creatures Inc. and its affiliates on the condition that he provides a copy of the Order approving the Settlement Agreement to the Board of Directors of these companies and to their legal counsel within 10 days of the date of this Order approving the Settlement Agreement; and
6. Pursuant to clause 8 of subsection 127(1) of the Act, Pardo shall, except as set out in paragraph 5 above, be prohibited from becoming or acting as director or officer of any issuer for a period of two years from the date of this Order approving the Settlement Agreement, except that he will be permitted to be or act as a director and/or officer of 503124 Ontario Ltd., the Brainwave Entities and Intelligent Creatures Inc. and its affiliates.

DATED at Toronto this 17th day of August, 2012.

“Edward P. Kerwin”

Edward P. Kerwin