



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor CP 55, 19e étage
20 Queen Street West 20, rue queen ouest
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 PORTUS ALTERNATIVE ASSET MANAGEMENT INC.,
PORTUS ASSET MANAGEMENT INC., BOAZ MANOR, MICHAEL MENDELSON,
MICHAEL LABANOWICH AND JOHN OGG**

**ORDER with respect to MICHAEL MENDELSON
(Section 127 of the Act)**

WHEREAS on October 5, 2005, 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 relation to a Statement of Allegations issued by Staff of the Commission ("**Staff**") on the same day in respect of Portus Alternative Asset Management Inc. ("**PAAM**"), Portus Asset Management Inc. ("**PAM**"), Boaz Manor ("**Manor**"), Michael Mendelson ("**Mendelson**"), Michael Labanowich ("**Labanowich**") and John Ogg ("**Ogg**") (collectively, the "**Respondents**");

AND WHEREAS on November 22, 2011, the Commission ordered, among other things, that the hearing on the merits commence on September 4, 2012;

AND WHEREAS on August 27, 2012, the Commission approved settlement agreements between Staff and each of Manor, Labanowich and Ogg (*Re Portus Alternative Asset Management Inc.* (2012), 35 O.S.C.B. 8128 (settlement with respect to Manor); *Re Portus Alternative Asset Management Inc.* (2012), 35 O.S.C.B. 8119 (settlement with respect to Labanowich); and *Re Portus Alternative Asset Management Inc.* (2012), 35 O.S.C.B. 8136 (settlement with respect to Ogg));

AND WHEREAS on September 4, 2012, the Commission ordered, on consent of the parties, that a sanctions hearing for Mendelson commence on October 2, 2012;

AND WHEREAS on October 2, 2012, the sanctions hearing for Mendelson was adjourned to October 16, 2012;

AND WHEREAS Staff and Mendelson jointly filed an Agreed Statement of Facts, dated October 16, 2012, in which Mendelson admitted certain acts in contravention of Ontario securities law;

AND WHEREAS on October 16, 2012, the Commission was satisfied that Mendelson did not comply with Ontario securities law and acted contrary to the public interest and a sanctions hearing was held;

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

IT IS ORDERED THAT:

- (a) pursuant to clause 2 of subsection 127(1) of the Act, trading in securities by Mendelson cease permanently;
- (b) pursuant to clause 2.1 of subsection 127(1) of the Act, Mendelson is prohibited permanently from the acquisition of any securities with the exception that he 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));
- (c) pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Mendelson permanently;
- (d) pursuant to clause 6 of subsection 127(1) of the Act, Mendelson is reprimanded;
- (e) pursuant to clause 7 of subsection 127(1) of the Act, Mendelson resign any and all positions that he holds as a director or officer of a reporting issuer;

- (f) pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the Act, Mendelson is prohibited permanently from becoming or acting as a director or officer of any reporting issuer, registrant or investment fund manager;
- (g) pursuant to clause 8.5 of subsection 127(1) of the Act, Mendelson is prohibited permanently from becoming or acting as a registrant, as an investment fund manager or as a promoter; and
- (h) pursuant to clause 10 of subsection 127(1) of the Act, Mendelson disgorge to the Commission the amount of \$320,000 obtained as a result of his non-compliance with Ontario securities law, which is designated for allocation or for use by the Commission pursuant to subsection 3.4(2)(b) of the Act.

DATED at Toronto this 29th day of November, 2012.

“Edward P. Kerwin”

Edward P. Kerwin