



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
MERAX RESOURCE MANAGEMENT LTD.,
carrying on business as CROWN CAPITAL PARTNERS,
RICHARD MELLON and ALEX ELIN**

**ORDER
(Sections 127(1) and 127.1 of the *Securities Act*)**

WHEREAS on November 29, 2006, the Ontario Securities Commission (the “**Commission**”) issued and filed a Notice of Hearing returnable December 5, 2006 to consider the allegations made by Staff of the Commission (“**Staff**”) in the Statement of Allegations dated November 21, 2006;

AND WHEREAS on November 21, 2006, the Commission issued an Amended Statement of Allegations and on November 3, 2010, the Commission issued an Amended Amended Statement of Allegations;

AND WHEREAS on January 26, 2011, Staff filed a Notice of Withdrawal which provided that Staff withdrew the allegations against the Respondent, Merax Resource Management Ltd., carrying on business as Crown Capital Partners;

AND WHEREAS the hearing on the merits with respect to Staff’s allegations against the remaining respondents to the proceeding, Richard Mellon (“**Mellon**”) and Alex Elin (“**Elin**”)

(together, the “**Respondents**”) commenced on January 17, 2011 and concluded on March 1, 2011(the “**Merits Hearing**”);

AND WHEREAS the Respondents were self-represented throughout the Merits Hearing;

AND WHEREAS the Commission issued its Reasons for Decision on the merits on December 12, 2011, finding that the Respondents contravened sections 25(1)(a), 38(3), and 53(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “**Act**”);

AND WHEREAS the Commission ultimately directed that a sanctions and costs hearing in respect of the Respondents be scheduled for May 22, 2012 (the “**Sanctions Hearing**”);

AND WHEREAS the Respondents attended and were self-represented at the Sanctions Hearing;

AND WHEREAS having considered the written and oral submissions of Staff, the oral submissions of the Respondents, and the supplementary submissions of Staff and the Respondents, the Commission is of the opinion that it is in the public interest to make the following order;

IT IS ORDERED THAT:

1. The Respondents cease trading in securities permanently pursuant to clause 2 of section 127(1) of the Act, except that each of them is permitted to trade securities for the account of a registered education savings plan (as defined in Part I of the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.)) in trust for any children, over which he has sole legal ownership, provided that:
 - a) 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;
 - b) He does not own legally or beneficially more than one percent of the outstanding securities of a class or series of a class;

- c) He carries out any permitted trading through a registered dealer and through trading accounts in his name only (and he must close any trading accounts that are not in his name only); and
 - d) He gives a copy of the Merits Decision, the Sanctions and Costs Decision, and the Sanctions and Costs Order to any registered dealer through which he will trade in advance of any trading.
2. The Respondents resign all positions that they hold as a director or officer of any issuer pursuant to clause 7 of section 127(1) of the Act;
 3. The Respondents be prohibited permanently from becoming or acting as a director or officer of any issuer pursuant to clause 8 of section 127(1) of the Act;
 4. The Respondents be prohibited permanently from becoming or acting as a registrant, an investment fund manager, or a promoter pursuant to clause 8.5 of section 127(1) of the Act;
 5. Elin shall pay an administrative penalty of \$300,000 and Mellon shall pay an administrative penalty of \$400,000 for failure to comply with Ontario securities law pursuant to clause 9 of section 127(1) of the Act;
 6. The Respondents shall disgorge to the Commission the sum of \$353,229.19 on a joint and several basis pursuant to clause 10 of section 127(1) of the Act; and
 7. All amounts received by the Commission in respect of the administrative penalty and the disgorgement ordered herein are to be allocated in accordance with section 3.4(2)(b) of the Act as the Commission in its absolute discretion shall decide.

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

“Mary G. Condon”

Mary G. Condon

“Sinan O. Akdeniz”

Sinan O. Akdeniz