



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
SINO-FOREST CORPORATION, ALLEN CHAN, ALBERT IP, ALFRED C.T. HUNG,
GEORGE HO AND SIMON YEUNG**

**TEMPORARY ORDER
(Subsections 127(7) and 127(8))**

WHEREAS on August 26, 2011, 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”), subsequently varied by the Commission pursuant to an order under section 144(1) of the Act on the same day (together, the “Temporary Order”), with respect to Sino-Forest Corporation (“Sino-Forest”), Allen Chan (“Chan”), Albert Ip (“Ip”), Alfred C.T. Hung (“Hung”), George Ho (“Ho”) and Simon Yeung (“Yeung”), (collectively the “Respondents”) ordering:

- 1) pursuant to paragraph 2 of section 127(1) of the Act that all trading in the securities of Sino-Forest shall cease (the “General Cease Trade Order”);
- 2) pursuant to paragraph 2 of section 127(1) of the Act that all trading in securities by Chan, Ip, Hung, Ho and Yeung (collectively, the “Individual Respondents”) shall cease (the “Individual Respondents’ Cease Trade Order”); and
- 3) pursuant to section 127(6) of the Act that this order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission;

AND WHEREAS on September 8, 2011, the Temporary Order was extended by order of the Commission until January 25, 2012;

AND WHEREAS on September 15, 2011, the Temporary Order was further varied by order of the Commission pursuant to section 144(1) of the Act in the matter of Canadian Derivatives Clearing Corporation (the “CDCC Order”) but otherwise remained in effect, unamended except as expressly provided in the CDCC Order;

AND WHEREAS on January 23, 2012, the Temporary Order was extended by order of the Commission until April 16, 2012;

AND WHEREAS on April 13, 2012, the Temporary Order was extended by order of the Commission until July 16, 2012 and the hearing in this matter was adjourned to July 12, 2012, at 10:00 a.m.;

AND WHEREAS on May 22, 2012, Staff of the Commission issued a Statement of Allegations against the Respondents and David Horsley, the former Chief Financial Officer of Sino-Forest (the “Statement of Allegations”);

AND WHEREAS on July 12, 2012, the General Cease Trade Order was extended by order of the Commission until October 15, 2012 and the Individual Respondents’ Cease Trade Order was extended until the final disposition of the matter related to the Statement of Allegations, including, if appropriate, any final determination with respect to sanctions and costs;

AND WHEREAS on July 12, 2012, the hearing in this matter was adjourned to October 10, 2012 at 10:00 a.m.;

AND WHEREAS on October 10, 2012, the General Cease Trade Order was extended by order of the Commission until October 29, 2012 and the hearing in this matter was adjourned to October 26, 2012 at 10:00 a.m.;

AND WHEREAS on October 26, 2012, the General Cease Trade Order was varied by the Commission pursuant to section 144 of the Act (the “Section 144 Order”) and extended until January 21, 2013 and the hearing in this matter was adjourned to January 17, 2013 at 10:00 a.m.;

AND WHEREAS on January 17, 2013, counsel for Staff, counsel for Chan and counsel for Ip, Hung, Ho and Yeung appeared before the Commission;

AND WHEREAS, by letter dated January 15, 2013, counsel for Sino-Forest advised that Sino-Forest did not intend to participate in the hearing on January 17, 2013 and that neither Sino-Forest's monitor appointed by the Superior Court of Justice (Ontario) in connection with a proposed plan of compromise and reorganization pursuant to the *Companies Creditors Arrangement Act* (Canada) proposed by Sino-Forest (the "Plan"), nor Sino-Forest's litigation trustee, established in connection with the Plan, intend to have Sino-Forest participate in the Commission proceeding following the implementation of the Plan;

AND WHEREAS on January 17, 2013, counsel for Staff submitted that the General Cease Trade Order as varied by the Section 144 Order should be extended until the final disposition of the matter related to the Statement of Allegations, including, if appropriate, any final determination with respect to sanctions and costs;

AND WHEREAS the Commission, having considered the evidence and submissions before it, is of the opinion that it is in the public interest to extend the General Cease Trade Order as varied by the Section 144 Order;

IT IS HEREBY ORDERED that pursuant to subsections 127(7) and (8) of the Act, the General Cease Trade Order as varied by the Section 144 Order is extended until the final disposition of the matter related to the Statement of Allegations, including, if appropriate, any final determination with respect to sanctions and costs.

Dated at Toronto this 17th day of January, 2013.

"Mary G. Condon"

Mary G. Condon