



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
MAJESTIC SUPPLY CO. INC., SUNCASTLE DEVELOPMENTS CORPORATION,
HERBERT ADAMS, STEVE BISHOP, MARY KRICFALUSI,
KEVIN LOMAN and CBK ENTERPRISES INC.**

ORDER

(Rules 1.6(2) and 11.5 of the Commission's *Rules of Procedure* (2012), 35 O.S.C.B. 10071)

WHEREAS on October 20, 2010 the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 37, 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), in connection with a Statement of Allegations dated October 20, 2010 filed by Staff of the Commission ("Staff") in respect of Majestic Supply Co. Inc., Suncastle Developments Corporation, Herbert Adams, Steve Bishop, Mary Kricfalusi, Kevin Loman and CBK Enterprises Inc.;

AND WHEREAS a hearing on the merits in this matter was held before the Commission on November 7, 9, 10, 11, 14, 15, 16, 17, 28, 29, 2011 and May 18, 2012;

AND WHEREAS following the hearing on the merits, the Commission issued its Reasons and Decision with respect to the merits on February 21, 2013;

AND WHEREAS the hearing to determine sanctions and costs was held on March 15, 2013 at 10:00 a.m.;

AND WHEREAS an issue arose at the sanctions hearing concerning the accuracy of the statutory declaration of Herb Adams dated March 13, 2013 which attached the statutory declaration of Herb Adams dated July 20, 2011 and Staff advised that it would discuss the issue with the parties and make further enquiries, if necessary, to determine whether leave to cross-examine on the statutory declarations would be requested;

AND WHEREAS on April 3, 2013, Staff served and filed an affidavit of Jeff Thomson sworn April 3, 2013 which attached the emails and documents received from the parties relating to the accuracy of the two statutory declarations of Herb Adams;

AND WHEREAS on April 9, 2013, counsel for Kevin Loman filed and served written submissions on sanctions;

AND WHEREAS a case management conference was held before the Commission on May 2, 2013 and attended by Staff, counsel for Herb Adams and counsel for Kevin Loman to consider: (i) whether another date for the continuation of the sanctions hearing is necessary; and (ii) counsel for Kevin Loman's request for an extension of the time to file and serve written submissions on sanctions dated April 9, 2013;

AND WHEREAS Mary Kricfalusi and Steve Bishop did not attend the case management conference on May 2, 2013 but provided emails to the Registrar in which: (i) Mary Kricfalusi advised that she was in agreement with whatever the panel decides on the two procedural issues; and (ii) Steve Bishop advised that he had hoped to have the opportunity to cross-examine Herb Adams on his statutory declarations and subsequent responses;

AND WHEREAS the panel heard oral submissions from Staff, counsel for Kevin Loman and counsel for Herb Adams and considered the emails received from Mary Kricfalusi and Steve Bishop;

AND WHEREAS none of the parties objected to an extension of time to permit counsel for Kevin Loman to file written sanction submissions dated April 9, 2013 on behalf of Kevin Loman and no party indicated that they intended to reply to the submissions;

AND WHEREAS Staff requested permission to file an affidavit of Jeff Thomson to be sworn May 2, 2013, which attached further emails and documents exchanged between Staff and counsel for Herb Adams;

AND WHEREAS both counsel for Herb Adams and counsel for Kevin Loman advised the panel that they did not object to the filing of the affidavit of Jeff Thomson to be sworn May 2, 2013;

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

IT IS ORDERED that the time for counsel for Kevin Loman to file and serve written sanctions submissions dated April 9, 2013 is extended pursuant to Rule 1.6(2) of the Commission's *Rules of Procedure* (2012), 35 O.S.C.B. 10071 (the "*Rules of Procedure*");

IT IS FURTHER ORDERED that, subject to a party satisfying the panel that there is not good reason for doing so, the remainder of the sanctions hearing will be converted to a written hearing pursuant to Rule 11.5 of the Commission's *Rules of Procedure* on May 8, 2013;

IT IS FURTHER ORDERED that the parties will have until May 10, 2013 to serve and file any written submissions or evidence responding to the affidavits of Jeff Thomson sworn April 3 and May 2, 2013, after which the panel will deliberate on its sanctions decision.

Dated at Toronto this 2nd day of May, 2013.

"Edward P. Kerwin"

Edward P. Kerwin

"Paulette L. Kennedy"

Paulette L. Kennedy