



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22e 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 -

**GLOBAL CONSULTING AND FINANCIAL SERVICES, CROWN CAPITAL
MANAGEMENT CORPORATION, CANADIAN PRIVATE AUDIT SERVICE,
EXECUTIVE ASSET MANAGEMENT, MICHAEL CHOMICA, PETER SIKLOS (also
known as PETER KUTI), JAN CHOMICA, AND LORNE BANKS**

TEMPORARY ORDER

(Subsections 127(1) and (8) of the *Securities Act*)

WHEREAS on November 4, 2010, 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”) ordering that Global Consulting and Financial Services (“Global”), Crown Capital Management Corporation (“Crown”), Canadian Private Audit Service (“CPAS”), Executive Asset Management (“EAM”), Jan Chomica, Michael Chomica, Peter Kuti (“Kuti”), and Lorne Banks (“Banks”) (collectively, the “Respondents”) cease trading in all securities (the “Temporary Order”);

AND WHEREAS on November 4, 2010, the Commission ordered pursuant to clause 3 of subsection 127(1) of the Act, that any exemptions contained in Ontario securities law do not apply to the Respondents;

AND WHEREAS on November 4, 2010, the Commission ordered that the Temporary Order shall expire on the fifteenth day after its making unless extended by order of the Commission;

AND WHEREAS on November 9, 2010, the Commission issued a direction under subsection 126(1) of the Act freezing assets in a bank account in the name of Crown (the “Freeze Direction”);

AND WHEREAS on November 4, 2010, the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on November 17, 2010 at 3:00 p.m. (the “Notice of Hearing”);

AND WHEREAS the Notice of Hearing set out that the hearing was to consider, *inter alia*, whether, in the opinion of the Commission, it was in the public interest, pursuant to subsections 127(7) and (8) of the Act, to extend the Temporary Order until the conclusion of the hearing, or until such further time as considered necessary by the Commission;

AND WHEREAS Staff of the Commission (“Staff”) served the Respondents with copies of the Temporary Order and the Notice of Hearing, and served Crown with the Freeze Direction as evidenced by the Affidavit of Charlene Rochman, sworn on November 17, 2010, and filed with the Commission;

AND WHEREAS on November 17, 2010, Staff and counsel for Banks appeared before the Commission, and whereas Global, Crown, CPAS, EAM and Kuti did not appear before the Commission to oppose Staff’s request for the extension of the Temporary Order;

AND WHEREAS Staff had received a Direction from Jan Chomica dated November 11, 2010, in which she consented to extending the Temporary Order for at least two months;

AND WHEREAS counsel for Michael Chomica did not attend the hearing but had advised Staff that Michael Chomica consented to (or did not oppose) an extension of the Temporary Order for at least two months;

AND WHEREAS on November 17, 2010, counsel for Banks advised the Commission that Banks consented to an extension of the Temporary Order;

AND WHEREAS the Commission considered the evidence and submissions before it and, pursuant to subsection 127(8) of the Act, ordered that the Temporary Order be extended to January 27, 2011;

AND WHEREAS the Commission further ordered that the hearing in this matter be adjourned to January 26, 2011 at 11:00 a.m., and that the parties make efforts to advise the Commission by January 3, 2011 whether they were in agreement that the hearing set for January 26, 2011 be held in writing;

AND WHEREAS by Notice of Motion dated December 16, 2010 (the “Notice of Motion”), Staff sought to amend the Temporary Order to include Peter Siklos (“Siklos”) as the

person using the alias “Peter Kuti”, thereby making Siklos subject to the Temporary Order, and to abridge, under Rule 1.6(2) of the Commission’s *Rules of Procedure* (2010), 33 O.S.C.B. 8017 (the “Rules”), the notice requirements for the filing and service of motion materials under Rule 3.2 of the Rules and the requirement for a Memorandum of Fact and Law under Rule 3.6 of the Rules (the “Motion”);

AND WHEREAS in support of the Motion, Staff filed the Affidavit of Wayne Vanderlaan (“Vanderlaan”), sworn December 15, 2010 (the “Vanderlaan Affidavit”), in which Vanderlaan stated that there is a real Peter Kuti who, based on the information currently available to Staff, is not the “Peter Kuti” which is an alias for Siklos;

AND WHEREAS the Motion was heard on Monday, December 20, 2010 at 10:00 a.m. before a panel of the Commission (the “Motion Hearing”);

AND WHEREAS the Commission, after considering the Affidavit of Service of Charlene Rochman sworn December 17, 2010, was satisfied that Staff had served the Notice of Motion, the December 16, 2010 covering letter from Carlo Rossi, Litigation Counsel with Staff, and the Vanderlaan Affidavit on the Respondents;

AND WHEREAS counsel for Banks advised Staff that he would not be attending on the Motion and that Banks took no position with respect to the Motion;

AND WHEREAS on December 20, 2010, Staff and counsel for Siklos attended before the Commission, and counsel for Siklos advised that Siklos consented to the Motion;

AND WHEREAS the Commission considered the Notice of Motion and the Vanderlaan Affidavit and the submissions made by Staff and counsel for Siklos at the Motion Hearing;

AND WHEREAS the Commission ordered that:

1. Pursuant to clause 2 of subsection 127(1) of the Act, Peter Siklos (also known as Peter Kuti) shall cease trading in all securities;
2. Pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Peter Siklos (also known as Peter Kuti);
3. The title of the proceeding shall be amended accordingly;
4. For clarity, the Temporary Order as Amended (the “Amended Temporary Order”) be extended to January 27, 2011; and

5. For clarity, the hearing to consider the extension of the Amended Temporary Order be held on January 26, 2011 at 11:00 a.m. and the parties shall make efforts to advise the Commission by January 3, 2011 whether they are in agreement that the hearing scheduled for January 26, 2011 be held in writing;

AND WHEREAS by way of letter dated January 25, 2011, Staff advised the Commission that it had obtained the consent of Michael Chomica, Jan Chomica, Siklos and Banks (collectively, the “Individual Respondents”), Crown and Global to extend the Amended Temporary Order;

AND WHEREAS Staff provided the Commission with the Affidavit of Charlene Rochman sworn January 24, 2011, detailing service of the Amended Temporary Order on the Respondents and the consent of the Individual Respondents, Crown and Global to the extension of the Amended Temporary Order;

AND WHEREAS the Commission ordered that the Amended Temporary Order be extended to March 9, 2011 and that the hearing be adjourned to March 8, 2011 at 10:00 a.m.;

AND WHEREAS on March 8, 2011, Staff attended before the Commission and no one attended on behalf of the Respondents;

AND WHEREAS the Commission was satisfied that Staff had undertaken reasonable efforts to serve the Respondents with notice of the hearing;

AND WHEREAS on March 8, 2011, Staff advised the Commission that Staff had been in contact with Jan Chomica and counsel for Michael Chomica, Banks and Siklos and that Jan Chomica, Michael Chomica, Banks and Siklos were not opposing the extension of the Amended Temporary Order;

AND WHEREAS the Commission ordered that the Amended Temporary Order be extended to May 17, 2011 and that the hearing be adjourned to May 16, 2011 at 10:00 a.m.;

AND WHEREAS on May 16, 2011, Staff appeared before the Commission and no one appeared on behalf of any of the Respondents;

AND WHEREAS on May 16, 2011, Staff advised the Commission that Staff had been in contact with counsel for Michael Chomica, Banks and Siklos and that the Individual Respondents were not opposing the extension of the Amended Temporary Order;

AND WHEREAS Staff further advised that Jan Chomica had provided her consent to the extension of the Amended Temporary Order by way of writing;

AND WHEREAS Staff provided the Commission with the Affidavit of Charlene Rochman sworn May 13, 2011 detailing Staff's efforts to serve the Respondents and the consent of the Individual Respondents, Crown and Global to the extension of the Amended Temporary Order;

AND WHEREAS the Commission ordered that the Amended Temporary Order be extended to July 18, 2011 and the hearing be adjourned to July 15, 2011 at 11:00 a.m.;

AND WHEREAS on July 15, 2011, Staff appeared before the Commission and no one appeared on behalf of any of the Respondents;

AND WHEREAS on July 15, 2011, Staff advised the Commission that Staff had been in contact with counsel for Michael Chomica and Banks and that Michael Chomica consented to an extension of the Amended Temporary Order for 90 days and Banks was not opposing the extension;

AND WHEREAS Staff further advised that Jan Chomica had provided her consent to the extension of the Amended Temporary Order by way of writing;

AND WHEREAS Staff provided the Commission with the Affidavit of Charlene Rochman sworn July 13, 2011 detailing service on the Respondents;

AND WHEREAS the Commission ordered that the Amended Temporary Order be extended to October 12, 2011 and the hearing be adjourned to October 11, 2011 at 2:30 p.m.;

AND WHEREAS on October 11, 2011, Staff appeared before the Commission to request that the Amended Temporary Order be extended for an additional 90 days;

AND WHEREAS no one appeared on behalf of any of the Respondents;

AND WHEREAS Staff advised the Commission that Staff had been in contact with counsel for Siklos and Banks and that Siklos consented to an extension of the Amended Temporary Order for 90 days and Banks was not opposing the extension;

AND WHEREAS Staff provided the Commission with the Affidavit of Charlene Rochman sworn October 7, 2011 detailing service on the Respondents;

AND WHEREAS the Commission ordered that the Amended Temporary Order be extended to January 12, 2012 and the hearing be adjourned to January 11, 2012 at 10:00 a.m.;

AND WHEREAS on January 11, 2012, Staff appeared before the Commission to request that the Amended Temporary Order be extended for an additional 90 days;

AND WHEREAS no one appeared on behalf of any of the Respondents other than counsel for Siklos;

AND WHEREAS Michael Chomica and Jan Chomica had advised Staff in writing that they consented to an extension of the Amended Temporary Order for 90 days;

AND WHEREAS counsel for Banks advised Staff that Banks did not oppose a further extension of the Amended Temporary Order for 90 days;

AND WHEREAS counsel for Siklos advised the Commission that he consented to an extension of the Amended Temporary Order for 90 days;

AND WHEREAS Staff provided the Commission with the Affidavit of Charlene Rochman affirmed January 10, 2012 detailing Staff's efforts to serve the Respondents;

AND WHEREAS on January 11, 2012, the Commission ordered that the Amended Temporary Order be extended to April 12, 2012 and the hearing be adjourned to April 11, 2012 at 10:00 a.m.;

AND WHEREAS on April 11, 2012, Staff appeared before the Commission to request that the Amended Temporary Order be extended and no one appeared on behalf of any of the Respondents;

AND WHEREAS Staff provided the Commission with the Affidavit of Peaches Barnaby sworn April 11, 2012 detailing Staff's efforts to serve the Respondents;

AND WHEREAS on April 11, 2012, the Commission ordered that the Amended Temporary Order be extended to June 12, 2012 and the hearing be adjourned to June 11, 2012 at 9:00 a.m.;

AND WHEREAS on June 11, 2012, Staff appeared before the Commission to request that the Amended Temporary Order be extended and no one appeared on behalf of any of the Respondents;

AND WHEREAS Staff provided the Commission with the Affidavit of Peaches Barnaby sworn June 5, 2012 detailing Staff's efforts to serve the Respondents;

AND WHEREAS quasi-criminal proceedings were commenced in the Ontario Court of Justice pursuant to section 122(1)(c) of the Act against, *inter alia*, Michael Chomica, Jan Chomica and Siklos (the "Section 122 Proceedings");

AND WHEREAS on June 11, 2012, Staff advised the Commission that counsel for Banks consented to a further extension of the Amended Temporary Order for six months;

AND WHEREAS on June 11, 2012, the Commission ordered that the Amended Temporary Order be extended to December 5, 2012 and the hearing be adjourned to December 4, 2012 at 3:30 p.m.;

AND WHEREAS by way of letter dated November 30, 2012, Staff advised the Commission that a judicial pre-trial conference was scheduled for December 17, 2012 in connection with the Section 122 Proceedings and that the Individual Respondents consented to an extension of the Amended Temporary Order to the middle of January 2013;

AND WHEREAS Staff provided the Commission with the Affidavit of Nancy Poyhonen sworn November 30, 2012, detailing Staff's attempts to serve the Amended Temporary Order on the Respondents and the consent of the Individual Respondents to the extension of the Amended Temporary Order;

AND WHEREAS on December 3, 2012, the Commission ordered that the Amended Temporary Order be extended to January 18, 2013 and the hearing be adjourned to January 17, 2013 at 9:00 a.m.;

AND WHEREAS on January 17, 2013, Staff appeared before the Commission to request that the Amended Temporary Order be extended and no one appeared on behalf of any of the Respondents;

AND WHEREAS Staff provided the Commission with the Affidavit of Peaches Barnaby sworn January 15, 2013 detailing Staff's service of the Amended Temporary Order on the Individual Respondents, Global and Crown, and Staff's efforts to serve CPAS and EAM;

AND WHEREAS Staff advised the Commission that further dates had been scheduled in connection with the Section 122 Proceedings, including a set date appearance on February 14, 2013 and a continuing judicial pre-trial conference on February 28, 2013;

AND WHEREAS Staff requested that the Amended Temporary Order be extended to a date following the judicial pre-trial conference on February 28, 2013;

AND WHEREAS on January 17, 2013, the Commission ordered that the Amended Temporary Order be extended to March 8, 2013 and the hearing be adjourned to March 7, 2013 at 11:00 a.m.;

AND WHEREAS on March 7, 2013, Staff appeared before the Commission to request that the Amended Temporary Order be extended and no one appeared on behalf of any of the Respondents;

AND WHEREAS Staff provided the Commission with the Affidavit of Peaches Barnaby sworn March 6, 2013 detailing Staff's service of the Amended Temporary Order on the Individual Respondents, Global and Crown, and Staff's efforts to serve CPAS and EAM;

AND WHEREAS Staff advised the Commission that, on February 14, 2013, Michael Chomica pleaded guilty to three counts of fraud contrary to sections 122 and 126.1(b) of the Act and that further dates had been scheduled in connection with the Section 122 Proceedings, including a sentencing hearing for Michael Chomica on March 14, 2013;

AND WHEREAS Staff provided the Commission with a letter from counsel for Banks indicating that Banks consented to a further extension of the Amended Temporary Order;

AND WHEREAS Staff requested that the Amended Temporary Order be extended;

AND WHEREAS the Commission ordered that the Amended Temporary Order be extended to April 26, 2013 and the hearing be adjourned to April 25, 2013 at 10:00 a.m.;

AND WHEREAS on April 25, 2013, Staff appeared before the Commission to request that the Amended Temporary Order be extended and no one appeared on behalf of any of the Respondents;

AND WHEREAS Staff provided the Commission with the Affidavit of Peaches Barnaby sworn March 11, 2013 detailing Staff's service of the Amended Temporary Order on the Individual Respondents, Global and Crown, and Staff's efforts to serve CPAS and EAM;

AND WHEREAS Staff advised the Commission that: (i) Michael Chomica had been sentenced to a period of incarceration in connection with the Section 122 Proceedings on March 14, 2013; (ii) Staff had withdrawn the allegations against Jan Chomica in connection with the Section 122 Proceedings; (iii) an appearance was scheduled for May 16, 2013 before the Ontario

Court of Justice in connection with the Section 122 Proceedings against Siklos; and (iv) Staff had initiated administrative proceedings pursuant to section 127 of the Act against, *inter alia*, Global, Crown, Michael Chomica, Jan Chomica and Banks and the next appearance was scheduled for May 22, 2013 (the “Section 127 Proceedings”);

AND WHEREAS Staff requested that the Amended Temporary Order be extended;

AND WHEREAS the Commission ordered that the Amended Temporary Order be extended to June 6, 2013 and the hearing be adjourned to June 5, 2013 at 9:00 a.m.;

AND WHEREAS by a letter from Staff to the Secretary of the Commission dated June 3, 2013 (the “June 3 Letter”) accompanied by the Affidavit of Nancy Poyhonen sworn on June 3, 2013 (the “June 3 Affidavit”), Staff requested that the hearing scheduled for June 5, 2013 proceed in writing and that the Commission make certain orders in connection with the Amended Temporary Order;

AND WHEREAS the June 3 Affidavit described service of the Commission’s April 25, 2013 Order on the Individual Respondents and on Global and Staff’s attempts to effect service on Crown;

AND WHEREAS it has become evident that service on Crown is not possible;

AND WHEREAS the June 3 Affidavit included Staff’s recent correspondence with Siklos, counsel to Banks and counsel to Jan Chomica and Global, informing such respondents of Staff’s intention to request an order of the Commission to extend the Amended Temporary Order for approximately six months and to request that the hearing scheduled for June 5, 2013 proceed in writing;

AND WHEREAS trial dates were scheduled in connection with the Section 122 Proceedings against Siklos for January 2014 and the next appearance in connection with the Section 122 Proceedings was scheduled for October 4, 2013 to confirm the trial dates;

AND WHEREAS a pre-hearing conference was scheduled for June 24, 2013 in connection with the Section 127 Proceedings;

AND WHEREAS in the June 3 Letter, Staff requested that:

1. The oral hearing scheduled for June 5, 2013 proceed in writing and that the date for the oral hearing be vacated;

2. The Amended Temporary Order against Global, Crown, Michael Chomica, Jan Chomica and Banks be extended to June 26, 2013 and that the hearing in respect of these respondents be adjourned to June 24, 2013 at 10:00 a.m. so that it may be addressed at the pre-hearing conference in connection with the Section 127 Proceedings; and
3. The Amended Temporary Order against Siklos be extended to a date following his next appearance before the Ontario Court of Justice in connection with the Section 122 Proceedings on October 4, 2013, and that the hearing in respect of Siklos be adjourned to a date following October 4, 2013 that is at least two days prior to the date on which the Amended Temporary Order expires;

AND WHEREAS Siklos consented to the extension of the Amended Temporary Order as outlined above;

AND WHEREAS in the June 3 Letter, Staff indicated that it was not seeking to extend the Amended Temporary Order against either CPAS or EAM;

AND WHEREAS on June 5, 2013, the Commission ordered that:

1. The oral hearing scheduled for June 5, 2013 proceed in writing and the hearing date scheduled for June 5, 2013 be vacated;
2. The Amended Temporary Order against Global, Crown, Michael Chomica, Jan Chomica and Banks be extended to June 26, 2013 and the hearing in respect of these respondents be adjourned to June 24, 2013 at 10:30 a.m.;
3. The Amended Temporary Order against Siklos be extended to October 11, 2013 and the hearing in respect of Siklos be adjourned to October 9, 2013 at 10:00 a.m.; and
4. Pursuant to Rule 1.4 and Rule 1.5.3(3) of the Rules, future service on Crown be waived;

AND WHEREAS on June 24, 2013, Staff appeared before the Commission to request that the Amended Temporary Order be extended;

AND WHEREAS counsel for Banks attended the hearing and no one appeared on behalf of Global, Crown, Michael Chomica or Jan Chomica;

AND WHEREAS Staff provided the Commission with the Affidavit of Peaches Barnaby sworn June 21, 2013 detailing Staff's service of the Amended Temporary Order on Global, Michael Chomica, Jan Chomica and Banks;

AND WHEREAS at the hearing on June 24, 2013, dates relating to the Section 127 Proceedings were set, including a further pre-hearing conference on September 4, 2013 at 2:00 p.m. and the hearing on the merits which will commence on November 25, 2013 at 10:00 a.m. and continuing on November 26, 27, 28 and 29, 2013;

AND WHEREAS counsel for Banks did not oppose an extension of the Amended Temporary Order;

AND WHEREAS on June 24, 2013, the Commission ordered that the Amended Temporary Order against Global, Crown, Michael Chomica, Jan Chomica and Banks be extended to two days following the conclusion of the Section 127 Proceedings, including the issuance of the Commission's decision on sanctions and costs should a sanctions hearing be required following the conclusion of the hearing on the merits in this matter.

AND WHEREAS on July 17, 2013, the Commission approved a settlement agreement between Staff and Banks;

AND WHEREAS on August 6, 2013, the Commission approved a settlement agreement between Staff, Global and Jan Chomica;

AND WHEREAS by Notice of Motion, Motion Record and Written Submissions dated August 14, 2013, Staff brought a motion for an order to convert the oral hearing on the merits as it related to Michael Chomica, Crown Capital and Global Capital to a written hearing (the "Written Hearing Motion");

AND WHEREAS on September 4, 2013, the Commission granted the Written Hearing Motion and set a schedule for the filing of documents in connection with the written hearing;

AND WHEREAS Staff and Michael Chomica subsequently requested an oral hearing pursuant to subsections 127(1) and 127(10) of the Act to consider an agreed statement of facts (the "Agreed Statement of Facts") and joint submission on sanctions (the "Joint Submission on Sanctions") in respect of Michael Chomica;

AND WHEREAS on October 2, 2013, the Commission held an oral hearing to consider the Agreed Statement of Facts and the Joint Submission on Sanctions;

AND WHEREAS the Commission considered the Agreed Statement of Facts, the Joint Submission on Sanctions and the submissions of Staff and Michael Chomica and ordered that sanctions be imposed against Michael Chomica;

AND WHEREAS on October 9, 2013, Staff appeared before the Commission to request that the Amended Temporary Order against Siklos be extended and no one appeared on behalf of Siklos;

AND WHEREAS Staff filed the Affidavit of Tia Faerber sworn October 7, 2013 detailing service of the Amended Temporary Order on Siklos;

AND WHEREAS Staff advised the Commission that the next appearance in connection with the Section 122 Proceedings against Siklos is scheduled for October 24, 2013 to re-confirm trial dates;

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

IT IS ORDERED that the Amended Temporary Order against Siklos is extended to the tenth business day following the final disposition in the Section 122 Proceedings against Siklos, which, for greater clarity, includes the issuance of any written judgment in connection with the trial and, if required, the sentencing of Siklos.

DATED at Toronto this 9th day of October, 2013.

“Christopher Portner”

Christopher Portner