



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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

22e étage
20, rue queenouest
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, SIMON YEUNG and DAVID
HORSLEY**

- AND -

**IN THE MATTER OF
A SETTLEMENT AGREEMENT
BETWEEN STAFF AND DAVID HORSLEY**

**ORDER
(Sections 127 and 127.1)**

WHEREAS on May 22, 2012, 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 respect of David Horsley ("Horsley");

AND WHEREAS Horsley entered into a Settlement Agreement with Staff of the Commission dated June 26, 2014 (the "Settlement Agreement") in which Horsley agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing, subject to the approval of the Commission;

AND UPON reviewing the Settlement Agreement and upon hearing submissions from counsel for Horsley and from Staff of the Commission;

AND WHEREAS Horsley has undertaken to cooperate with the Commission and Staff in this matter and to appear and testify at the hearing of this matter if requested by Staff;

AND WHEREAS Horsley has also undertaken to consent to any regulatory order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the sanctions set out in clauses (b) to (h) below;

AND WHEREAS this Order is made subject to the payment by Horsley of the amount of \$5.6 million as contemplated by paragraph 105 of the Settlement Agreement;

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

IT IS HEREBY ORDERED THAT:

- (a) the Settlement Agreement is approved;
- (b) pursuant to clause 6 of subsection 127(1) of the Act, Horsley is reprimanded;
- (c) pursuant to clause 7 of subsection 127(1) of the Act, Horsley resign all positions he holds as a director or officer of an issuer;
- (d) pursuant to clause 8 of subsection 127(1) of the Act, Horsley is permanently prohibited from becoming or acting as a director or officer of any reporting issuer;
- (e) pursuant to clause 8.1 of subsection 127(1) of the Act, Horsley resign all positions he holds as a director or officer of a registrant;

- (f) pursuant to clause 8.2 of subsection 127(1) of the Act, Horsley is permanently prohibited from becoming or acting as a director or officer of a registrant;
- (g) pursuant to clause 8.4 of subsection 127(1) of the Act, Horsley is permanently prohibited from becoming or acting as a director or officer of an investment fund manager;
- (h) pursuant to clause 8.5 of subsection 127(1) of the Act, Horsley is permanently prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter; and
- (i) pursuant to section 127.1 of the Act, Horsley shall pay costs to the Commission in the amount of (CAD)\$700,000, inclusive of interest and HST.

DATED AT TORONTO this 21st day of July, 2014.

“James E. A. Turner”

James E. A. Turner