



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 PATRICK MYLES LOUGH, LYNDA DAWN DAVIDSON and  
WAYNE THOMAS ARNOLD BARNES**

**ORDER  
(Subsections 127(1) and 127(10))**

**WHEREAS** on July 25, 2014, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing in this matter pursuant to sections 127(1) and 127(10) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") in respect of Patrick Myles Lough ("Lough"), Lynda Dawn Davidson ("Davidson") and Wayne Thomas Arnold Barnes ("Barnes") (collectively, the "Respondents");

**AND WHEREAS** on the same date, Staff of the Commission ("Staff") filed a Statement of Allegations in this matter;

**AND WHEREAS** on January 31, 2014, the Respondents entered into a settlement agreement (the "Settlement Agreement") with the Alberta Securities Commission (the "ASC");

**AND WHEREAS** the Respondents are subject to sanctions, conditions, restrictions or requirements pursuant to the Settlement Agreement, within the meaning of paragraph 5 of subsection 127(10) of the Act;

**AND WHEREAS** on August 18, 2014, the Commission granted Staff's application to convert this matter to a written hearing in accordance with Rule 11.5 of Commission's *Rules of Procedure* (2012), 35 OSCB 10071 and section 5.1(2) of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22, as amended;

**AND WHEREAS** Staff filed written submissions, a hearing brief and a brief of authorities;

**AND WHEREAS** the Respondents did not appear and did not file any materials;

**AND WHEREAS** based on my reasons dated the date of this Order, I find that it is in the public interest to issue this order pursuant to subsection 127(1) of the Act in reliance upon subsection 127(10) of the Act;

**IT IS HEREBY ORDERED THAT:**

- (a) pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities by Lough cease until January 31, 2018, except for (a) trades made in a personal brokerage account, a registered retirement savings plan, a tax-free savings account, or a registered education savings plan (such an account or plan is referred to as a “Personal Account or Plan”) for the benefit of one or more of himself, his spouse and his children, and (b) trades or acts in furtherance of trades in securities of MSLV, made solely for the purpose of completing the Dorchester Resort development project referred to in the Settlement Agreement (the “Dorchester Project”);
- (b) pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Lough cease until January 31, 2018, except for (a) trades made in a Personal Account or Plan for the benefit of one or more of himself, his spouse and his children, and (b) trades or acts in furtherance of trades in securities of MSLV made solely for the purpose of completing the Dorchester Project;
- (c) pursuant to paragraph 3 of subsection 127(1) of the Act, except in respect of securities of MSLV, any exemptions contained in Ontario securities law do not apply to Lough until January 31, 2018;
- (d) pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Lough resign any positions that he holds as director or officer of any issuer, registrant or investment fund manager, except that he may act as a director and officer of MSLV in connection with the Dorchester Project;
- (e) pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Lough be prohibited until January 31, 2018 from becoming or acting as a director or officer of any issuer, registrant or investment fund manager, except that he may act as a director and officer of MSLV in connection with the Dorchester Project;
- (f) pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities by Davidson cease until January 31, 2017, except for (a) trades made in a Personal Account or Plan for the benefit of one or more of herself, her spouse and her children, and (b) trades or acts in furtherance of trades in securities of MSLV, made solely for the purpose of completing the Dorchester Project;

- (g) pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Davidson cease until January 31, 2017, except for (a) trades made in a Personal Account or Plan for the benefit of one or more of herself, her spouse and her children, and (b) trades or acts in furtherance of trades in securities of MSLV, made solely for the purpose of completing the Dorchester Project;
- (h) pursuant to paragraph 3 of subsection 127(1) of the Act, except in respect of securities of MSLV, any exemptions contained in Ontario securities law do not apply to Davidson until January 31, 2017;
- (i) pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Davidson resign any positions that she holds as director or officer of any issuer, registrant or investment fund manager, except that she may act as a director and officer of MSLV in connection with the Dorchester Project;
- (j) pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Davidson be prohibited until January 31, 2017 from becoming or acting as a director or officer of any issuer, registrant or investment fund manager, except that she may act as a director and officer of MSLV in connection with the Dorchester Project;
- (k) pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities by Barnes cease until January 31, 2018, except for trades made in a Personal Account or Plan for the benefit of one or more of himself, his spouse and his children;
- (l) pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Barnes cease until January 31, 2018, except for trades made in a Personal Account or Plan for the benefit of one or more of himself, his spouse and his children; and
- (m) pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Barnes until January 31, 2018.

**DATED** at Toronto this 27<sup>th</sup> day of November, 2014.

*“James E. A. Turner”*

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James E. A. Turner