



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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Toronto ON M5H 3S8

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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 SATISH TALAWDEKAR
AND ANAND HARIHARAN**

- and -

**IN THE MATTER OF A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION
AND SATISH TALAWDEKAR**

**ORDER
(Subsections 127(1) and 127.1)**

WHEREAS on March 11, 2015 the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing (the “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”), and Staff of the Commission (“Staff”) filed a statement of allegations (the “Statement of Allegations”) in respect of Satish Talawdekar (“Talawdekar”);

AND WHEREAS Talawdekar has entered into a Settlement Agreement with Staff dated March 6, 2015 (the “Settlement Agreement”) in which Talawdekar agreed to a proposed settlement in relation to the matters set out in the Notice of Hearing and the Statement of Allegations;

AND WHEREAS in the Notice of Hearing the Commission announced that it proposed to hold a hearing to consider whether it is in the public interest to approve the Settlement Agreement between Staff and Talawdekar;

AND WHEREAS Talawdekar has made payments of \$90,000 and \$5,000 in costs prior to the approval of the Settlement Agreement;

AND UPON the Commission having reviewed the Notice of Hearing, the Statement of Allegations, and the Settlement Agreement, and having heard submissions from counsel for Talawdekar and for Staff;

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

IT IS HEREBY ORDERED THAT:

- (1) The Settlement Agreement is approved;
- (2) Trading in any securities (including as the term is defined in subsection 76(6) of the Act) by Talawdekar whether direct or indirect, shall cease for a period of 10 years from the date of the order approving the Settlement Agreement;
- (3) The acquisition of any securities by Talawdekar, including as the term “security” is defined in subsection 76(6) of the Act, whether direct or indirect, is prohibited for a period of 10 years from the date of the order approving the Settlement Agreement;
- (4) After the payments set out in paragraphs 8, 9, 10 and 11, below, are made in full, as an exception to the provisions of paragraphs 2 and 3:
 - (a) trading shall be permitted only in mutual fund, exchange-traded fund or index fund securities, bonds and guaranteed investment certificates for the account of any registered retirement savings plans, tax free savings accounts and self-directed retirement savings plans in which Talawdekar and/or his spouse have sole legal and beneficial ownership, and such trading is carried out through a registered dealer in Canada to whom he must give a copy of this agreement at the time he opens or modifies these accounts; and

- (b) trading and the acquisition of any securities shall be permitted in the registered education savings plans account held at First Knowledge Financial for the benefit of Talawdekar's children, as long as Talawdekar neither holds nor exercises trading authority, influence or control in respect of the trading in the account, and such trading is carried out through First Knowledge Financial, to whom he must give a copy of this settlement forthwith;
- (5) any exemptions contained in Ontario securities law do not apply to Talawdekar for a period of 10 years from the date of the order approving the Settlement Agreement;
- (6) Talawdekar is reprimanded;
- (7) Talawdekar is prohibited for a period of 10 years from the date of the order approving the Settlement Agreement from becoming or acting as a registrant, an investment fund manager, a promoter, or as a director or officer of any of those entities;
- (8) Talawdekar shall disgorge to the Commission \$11,673.60, being the profits obtained by him through the MDA trading as a result of his non-compliance with Ontario securities law. The disgorged amount shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act;
- (9) Talawdekar shall pay an administrative penalty of \$23,000 for his failure to comply with Ontario securities law in respect of the MDA trading, which represents approximately two (2) times the profit made by the Respondent through that misconduct. The administrative penalty shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act;
- (10) Talawdekar shall pay an administrative penalty of \$55,326.40 for his failure to comply with Ontario securities law in respect of the unlawful tip provided to Hariharan, which represents an amount equivalent to a substantial portion of the profit made by Hariharan as a result of Talawdekar's misconduct. The administrative

penalty shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act; and

- (11) Talawdekar shall also pay investigation costs to the Commission in the amount of \$5,000.

DATED at Toronto, this 28th day of April 2015.

“Alan Lenczner”

Alan Lenczner, QC