



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 WELCOME PLACE INC., DANIEL MAXSOOD also known as  
MUHAMMAD M. KHAN, TAO ZHANG, and TALAT ASHRAF**

- and -

**IN THE MATTER OF A  
SETTLEMENT AGREEMENT BETWEEN STAFF  
OF THE ONTARIO SECURITIES COMMISSION AND WELCOME PLACE INC.,  
DANIEL MAXSOOD also known as MUHAMMAD M. KHAN, TAO ZHANG, and  
TALAT ASHRAF**

ORDER

(Subsections 127(1) and 127(2) and Section 127.1)

**WHEREAS**

1. the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing (the “Notice of Hearing”) pursuant to subsection 127(1) and section 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) to consider whether it is in the public interest to make orders, as specified therein, against and in respect of Daniel Maxsood, also known as Muhammad M. Khan (“Maxsood”), Welcome Place Inc. (“Welcome Place”), Tao Zhang (“Zhang”) and Talat Ashraf (“Ashraf”) (the “Respondents”). The Notice of Hearing was issued in connection with the allegations as set out in the Statement of Allegations of Staff of the Commission (“Staff”) issued on December 18, 2014 (the “Statement of Allegations”);
2. the Respondents entered into a settlement agreement with Staff (the “Settlement Agreement”) in which the Respondents agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing, subject to the approval of the Commission;

3. on February 10, 2016, the Commission issued a Notice of Hearing pursuant to section 127 of the Act to announce that it proposed to hold a hearing to consider whether it is in the public interest to approve a settlement agreement entered into between Staff and the Respondents;
4. the Respondents acknowledge that failure to pay in full any monetary sanctions and/or costs ordered will result in the Respondents' names being added to the list of "Respondents Delinquent in Payment of Commission Orders" published on the OSC website;
5. the Commission has reviewed the Settlement Agreement, the Notices of Hearing and the Statement of Allegations of Staff, and heard submissions from counsel for the Respondents and Staff;
6. the Commission is of the opinion that it is in the public interest to make this order;

**IT IS ORDERED THAT:**

1. the Settlement Agreement is approved;
2. Maxsood, Ashraf and Welcome Place are reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;
3. any trading in securities of Welcome Place shall cease permanently, pursuant to paragraph 2 of subsection 127(1) of the Act;
4. any trading in any securities or derivatives by each of Welcome Place and Maxsood shall cease for a period of 10 years, pursuant to paragraph 2 of subsection 127(1) of the Act;
5. any trading in any securities or derivatives by Ashraf shall cease for a period of 5 years, pursuant to paragraph 2 of subsection 127(1) of the Act;
6. the acquisition of any securities by each of Welcome Place and Maxsood is prohibited for a period of 10 years, pursuant to paragraph 2.1 of subsection 127(1) of the Act;
7. the acquisition of any securities by Ashraf is prohibited for a period of 5 years, pursuant to paragraph 2.1 of subsection 127(1) of the Act;

8. any exemptions contained in Ontario securities law do not apply to each of Welcome Place and Maxsood for a period of 10 years, pursuant to paragraph 3 of subsection 127(1) of the Act;
9. any exemptions contained in Ontario securities law do not apply to Ashraf for a period of 5 years, pursuant to paragraph 3 of subsection 127(1) of the Act;
10. each of Maxsood and Ashraf shall resign any positions that he holds as a director or officer of an issuer, pursuant to paragraph 7 of section 127(1);
11. Maxsood is prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for a period of 10 years, pursuant to paragraphs 8, 8.2 and 8.4 of section 127(1) of the Act;
12. Ashraf is prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for a period of 5 years, pursuant to paragraphs 8, 8.2 and 8.4 of section 127(1) of the Act;
13. Maxsood shall pay an administrative penalty of \$110,000, which is designated for allocation or use by the Commission in accordance with section 3.4(2)(b) of the Act, pursuant to paragraph 9 of section 127(1) of the Act;
14. Ashraf shall pay an administrative penalty of \$10,000, on a joint and several basis with Maxsood, which is designated for allocation or use by the Commission in accordance with section 3.4(2)(b) of the Act, pursuant to paragraph 9 of section 127(1) of the Act;
15. Maxsood and Welcome Place shall disgorge \$2,967,901.52 to the Commission, on a joint and several basis , which is designated for allocation or use by the Commission in accordance with section 3.4(2)(b) of the Act, pursuant to paragraph 10 of section 127(1) of the Act;
16. Ashraf shall disgorge \$262,186.00, on a joint and several basis with Maxsood, which is designated for allocation or use by the Commission in accordance with section 3.4(2)(b) of the Act, pursuant to paragraph 10 of section 127(1) of the Act;
17. Maxsood and Zhang shall have provided written consent to an order of the Ontario Superior Court on or before February 10, 2016 that funds in the total amount of

\$662,829.00 held pursuant to the Freeze Directions that were issued on July 2 and 9, 2013 by the Commission and continued by the Ontario Superior Court of Justice on October 16, 2013 be paid to the Commission in partial satisfaction of the disgorgement amounts owing by Maxsood and Welcome Place pursuant to this Order, which is designated for allocation or use by the Commission in accordance with section 3.4(2)(b) of the Act, pursuant to subsection 127(2) of the Act;

18. with respect to the Certificate of Direction on the Property, Maxsood shall have made payment of \$382,000 by way of certified cheque to the Commission on or before February 10, 2016 in partial satisfaction of the disgorgement amounts owing by Maxsood and Welcome Place pursuant to this Order, which is designated for allocation or use by the Commission in accordance with section 3.4(2)(b) of the Act, pursuant to subsection 127(2) of the Act. Once the amount of \$382,000 has been paid in full, the Commission will consent to an order of the Ontario Superior Court removing the Certificate of Direction from the Property;
19. Maxsood and Welcome Place shall pay \$120,000, on a joint and several basis, in respect of costs of the investigation, pursuant to section 127.1 of the Act;
20. Until the entire amount of the payments required by paragraphs 13, 14, 15, 17, 18 and 19 is paid in full, the provisions of paragraphs 4, 6, 8 and 11 shall continue in force without any limitation as to time period; and
21. Until the entire amount of the payments required by paragraphs 14 and 16 is paid in full, the provisions of paragraphs 5, 7, 9 and 12 shall continue in force without any limitation as to time period.

**DATED AT TORONTO** this 11<sup>th</sup> day of February, 2016.

*“Edward P. Kerwin”*

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Edward P. Kerwin