



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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**IN THE MATTER OF THE
SECURITIES ACT, RSO 1990, c S.5**

- AND -

**IN THE MATTER OF FUTURE SOLAR DEVELOPMENTS INC.,
CENITH ENERGY CORPORATION, CENITH AIR INC.,
ANGEL IMMIGRATION INC. and XUNDONG QIN also known as SAM QIN**

REASONS AND DECISION

Hearing: March 23, 24, 28, 30, 31 and
April 4, 2016

Decision: May 4, 2016

Panel: Alan J. Lenczner - Commissioner and Chair of the Panel
D. Grant Vingoe - Vice-Chair
Deborah Leckman - Commissioner

Appearances: Christie Johnson - For Staff of the Commission
Peter E. Tuovi - For Future Solar Developments Inc.
Xungdon Qin (a.k.a) Sam Qin - On his own behalf and on behalf of
Cenith Energy Corporation, Cenith Air
Inc., and Angel Immigration Inc.

REASONS AND DECISION

- [1] This merits hearing involved the sale of preference shares by the respondent to 11 Chinese investors who were seeking to immigrate to Canada under Ontario's Provincial Nominee Program ("OPNP").
- [2] The respondents are alleged to have traded in securities while not being registered with the Ontario Securities Commission ("OSC") contrary to s. 25(1) of the *Securities Act*, (the "Act") and of distributing securities without a receipted prospectus contrary to s. 53 of the *Act*. There is no allegation of fraud or of fraudulent misrepresentation.
- [3] The facts adduced, which were admitted, establish that none of the respondents were registered to trade in securities with the Commission nor did they sell the preference shares pursuant to a prospectus.

THE OPNP PROGRAM

- [4] The OPNP is an Ontario program operating in conjunction with Federal Immigration Policies which allows each province to tailor requirements specific to its needs for eligible immigrants.
- [5] The Immigrant Investor program administered by Ontario's Ministry of Citizenship and Immigration ("MCI") is one category of entry for new immigrants to Ontario and to Canada. It was established in 2008 and operated, until it was terminated, in 2015. Twelve applications were successful and approved, with more than 100 being rejected.
- [6] There are essential requirements that an applicant must meet to qualify:
 - (a) a viable business plan reflecting a real business opportunity for a start-up or organic growth of an existing business;
 - (b) an investment of a minimum of \$3 million in the venture;

- (c) a requirement that each potential immigrant investor, up to a maximum of 25 investors, invests a minimum of \$1 million each or acquire 33 1/3 percent of the business venture;
- (d) that each immigrant investor will perform a job in the new venture at a high managerial or officer level and has the requisite skills to execute that function; and
- (e) that five local residents will also be hired by the business venture. For each immigrant investor approved above five in number, an additional local resident will also be engaged.

[7] Careful and thorough due diligence is performed by the Ontario Ministries involved to insure that the requirements are established and will be met. A two year monitoring program follows the endorsement of a successful investment application.

THE ISSUES

- [8] The issues that arose in the merits hearings are:
- (a) Did the offer and sale of preference shares to 11 potential Chinese Immigrant Investors constitute engaging in the business of trading in securities, or involve holding out as being engaged in such a business?
 - (b) Do the provisions of the *Act* extend to the distribution of securities outside Ontario?
 - (c) Was the sale to fewer than 50 individuals a sale by a private issuer?
 - (d) Was the sale from the private issuer to Accredited Investors or to persons that are not the public?

THE RELEVANT FACTS

- [9] Cenith Energy was incorporated by the respondent Sam Qin on August 28, 2002. He is its president and sole director. From 2002 to May 2011, Cenith Energy had no active business related to solar energy or energy conservation.
- [10] In May 2011, Cenith Energy acquired Feed-inTariff ("FIT") contracts with a capacity of 1.8 MW for a total purchase price of \$516,000. A FIT contract was available under Ontario's *Green Energy Act* and allowed the purchaser to build and install solar panels in the province with a guaranteed generous rate of payment for 20 years for each kilowatt of electricity produced. Qin testified that, once he had bought and installed the solar panels capable of producing 1.8 MW of electricity, Cenith Energy would enjoy a profit of \$1 million per year. He estimated the cost of the supply and installation of the solar panels at approximately \$9.8 million.
- [11] To Hon Lam ("Lam"), a third party, provided \$258,000 or ½ the monies required to acquire the FIT contracts.
- [12] On May 3, 2011, Qin incorporated the respondent, Future Solar Developments Inc. ("Future Solar") for the purpose of developing and managing solar energy products in Ontario. The FIT contracts were transferred to Future Solar from Cenith Energy. Qin was Future Solar's President and a Director.
- [13] For his investment of \$258,000, Lam acquired 51% of the shares of Future Solar through his company Aspire Canada Ltd. Cenith Energy became the other 49% shareholder. A Shareholders' Agreement of June 2011 signed between Aspire Canada Ltd. and Cenith Energy, provided that Aspire Canada would be responsible for raising the capital Future Solar required to build out the solar panel development and that Cenith Energy would provide the engineering expertise.
- [14] By December 2011, it became evident that Aspire Canada was not able or willing to provide the needed capital of approximately \$10 million. Qin managed to raise an additional \$257,000 from local investors in February 2012. However, the monies raised were far from sufficient.

[15] It is to be noted that none of Staff's allegations concern the capital raised from local investors. The reference to them is for background for the relevant events for the period at issue, i.e. May 2012 to August 2014. The only relevant investors were 11 Chinese investors.

APPLICATION FOR APPROVAL OF THE BUSINESS PLAN

[16] Qin turned to OPNP in February 2012 by submitting an application to the MCI describing Future Solar's business as being centred around the construction of 12 ground mount solar energy projects capable of generating a total of 1.8 MW of electricity at a cost of approximately \$9.8 million. The application also mentioned a "Light up GTA" program which focussed on LED (Liquid Emitting Diodes) lighting products using solar energy in institutional, commercial and manufacturing contexts with a total additional investment of \$13 million.

[17] The application was referred on March 27, 2012 to the Ministry of Economic Development, Trade and Employment ("MEDTE") for assessment of its business proposal and investment parameters.

[18] Future Solar submitted a detailed Business Plan setting out the proposed use of investor capital and revenue projections for the solar projects acquired and for the research and development of the "Light up GTA" program.

[19] Between the spring of 2012 until September 18, 2013, there were consultations by Future Solar with MEDTE, clarifications and revisions to the Business Plan.

[20] The MEDTE conducted thorough due diligence to consider whether the proposal met the requirements of OPNP, including that a viable business was being proposed that would be of significant economic benefit to Ontario.

[21] On September 18, 2013, MEDTE endorsed the business application by Future Solar based on 20 nominee positions of managerial or higher positions to be filled by immigrants, an investment of \$10 - \$11 million and the creation of at least 44 net new jobs.

SOLICITING CHINESE INVESTORS FOR THE OPNP

- [22] In mid-June 2012, Qin began soliciting investors in China primarily through two immigration consulting firms: (i) CanBo International Ltd. ("CanBo"), a Chinese consulting firm with offices only in China, and (ii) C&C Immigration Services (Canada) ("C&C") with offices in Guangzhou and Shenzhen, China and in North York, Toronto. Their role was to use their network of clients and contacts to identify high net worth individuals interested in investing in the project in Ontario and taking up a senior managerial or officer position in Ontario.
- [23] The immigration consultants were also to assist the potential investor immigrants with understanding the requirements of the nominee applications, with filling out the forms and to act as a go-between them and Future Solar for further information and to answer questions about the business proposal and the investment parameters.
- [24] CanBo provided referrals for 18 investors, six of whom were previously known to Qin.
- [25] C&C referred a number of investors, only four of whom were selected by Future Solar for inclusion in the application.
- [26] The OPNP investors entered into Subscription Agreements for the purchase of 1 million preference shares at \$1 per share, with payments able to be made in three tranches. The Subscription Agreements provided, in part,

In the event that the invest [*sic*] immigration status in Ontario Canada is not approved by either the Provincial or Federal [*sic*], the investment will be returned to the individual investors immediately.

. . .

Use of Proceeds: General corporate purposes including developments of 1.8MW solar power projects in Ontario to be completed before September 2013, seed capital for developments of 80MW solar power projects in Ontario, costs and expenses to go public, corporate growth and capital initiatives.

- [27] Share Certificates were issued to the subscribers for class B preference shares of Future Solar at a price of \$1 per share. The share certificates were issued in two phases: (1) seven in mid-2012; and (2) five in mid-to-late 2013. All were issued prior to the OPNP Investors' individual nominee applications being submitted to MCI. Twelve investors invested \$6,636,781.
- [28] On October 1, 2013, Future Solar entered into an Agreement with Mann Solar Ltd. whereby Mann Solar would acquire the FIT contracts from Future Solar and be responsible to build them out in return for which Future Solar would receive 45% of the net profits derived therefrom. Future Solar would henceforth focus its business activities on LED products both in the retrofitting of Government of Canada buildings and in the display panels of air purifiers.
- [29] Between October 1, 2013 and the submission of the nominee applications to MCI, Future Solar took in some \$4.5 million from the Chinese investors.
- [30] On a number of occasions from May 2012 to December 2013, Qin and/or Future Solar's employee, Joyce Li, travelled to China to speak to potential interested investors, to firm up the investments and to deliver the share certificates, personally, to investors. Their activities also involved developing new business opportunities, identifying subcontractors and training future employees.
- [31] Having received the endorsement of the Business Plan from MEDTE in September 2013, Future Solar now had to proceed to obtain the MCI approval for each individual immigrant investor.
- [32] Beginning in December 2013, Future Solar submitted the nominee applications, filled out and signed by each of the 12 Chinese investors who were interested in immigrating to Canada.
- [33] The nominee application forms were extensive and gave a fulsome description of each nominee's personal history, his/her work history including positions held and names of employers. It also included net worth statements detailing bank accounts, investments, real estate holdings and annual income.

- [34] MCI conducted due diligence on the nominee applicants by examining the application information and by telephoning each applicant and asking for more information or for clarifications of the information on the form.
- [35] In June 2014, MCI denied the application of five of the individual nominees on the basis that they did not have the requisite work experience for their proposed position with Future Solar. Only one individual nominee, Q.C., was approved by MCI. The five individuals who were denied were referred back for reconsideration.
- [36] By June 2014, Future Solar had used all the investors' monies in developing its business and was at a financial impasse. It could neither repay investors their monies, which it had promised to do if their applications to be investor immigrants to Ontario were turned down, nor was it able to have them nominated by the MCI.
- [37] Although there were further discussions and negotiations with MCI and MEDTE, they proved futile.
- [38] On February 17, 2015, the Commission issued a temporary cease trade order against all the shares of the respondents and freeze directions, freezing the respondents' bank accounts and real property at three separate locations. The assets frozen in the bank accounts total \$697,402.28 and the value of the real property frozen was approximately \$965,347 representing their purchase price less the outstanding mortgages.
- [39] Needless to say, the freeze orders guaranteed the cessation of all business activity at Future Solar and the other respondents, the termination of all employees and the loss of opportunities to develop future business and raise capital in order to continue in business.

THE STATEMENT OF ALLEGATIONS

- [40] The Statement of Allegations charges all the respondents from May 2012 to August 2014 with:

- (a) trading in securities without being registered contrary to subsection 25(1) of the *Act*;
- (b) illegally distributing securities without a prospectus contrary to subsection 53(1) of the *Act*; and
- (c) acting in a manner contrary to the public interest.

[41] The trades which are targeted are those sales of preference shares to 11 Chinese investors in China who bought the shares between May 2012 and December 2013.

DECISION AND ANALYSIS

[42] For the reasons that follow, we find that there was no breach of the *Act* and none of the respondents acted contrary to the public interest.

The Respondents were not in the Business of Trading in Securities

[43] Section 25(1) provides:

25. (1) Unless a person or company is exempt under Ontario securities law from the requirement to comply with this subsection, the person or company shall not engage in or hold himself, herself or itself out as engaging in the business of trading in securities unless the person or company,

- (a) is registered in accordance with Ontario securities law as a dealer;

[44] There is no doubt that the preference shares were securities.

[45] The nub of the issue is whether the respondents, more particularly Future Solar and Qin, engaged in or held itself or himself out as engaging in the business of trading in securities. Companion Policy 31-103CP of the Commission provides guidance with regard to the factors that are relevant in determining whether a company or person is engaged in the business of trading in securities. Companion Policy 31-103CP is not law and not binding on Staff, on the respondents or on the panel. It does provide a useful set of criteria to bear in mind. Ultimately, the panel has to take a holistic view whether it was more

probable than not that Future Solar and Qin were acting like a securities dealer whose business is the sale of securities or whether, on the other hand, they were seeking to obtain capital for the advancement of a legitimate business.

[46] Staff pointed to a number of factors, which it alleges should lead the panel to conclude that Future Solar and Qin were in the business of trading in securities.

[47] Staff pointed to the compensation and remuneration of the Immigration Consultants which it contends were substitutes for Future Solar's own sales force. Both consultant agencies had contracts to be paid 5% commission for every immigrant investor that was signed up. It appears that, overall, CanBo was paid \$52,500, and C&C was entitled to \$55,000, but this amount appears not to have been paid to C&C. The focus of these firms was on providing immigration services for which the investments by immigrant investors was a necessary, but incidental, part. Qin claimed that these payments were for services rendered in assisting the 11 investors to understand and fill out their individual nominee application forms and for acting as a go-between for investor questions to understand more about Future Solar's business, plans and growth opportunities.

[48] We do not view the Immigration Consultants as being the equivalent of a Future Solar sales force dedicated to the sale of its shares. Future Solar was but one of many clients of the Immigration Consultants which had their own independent businesses focussed on immigration consulting. Nor can the single payment to each consulting firm for this array of services be characterized as the equivalent of the payment of a securities brokerage commission.

[49] Staff claims that the Future Solar website is a direct solicitation for investment and constitutes an act in furtherance of a trade. The website includes the following passage:

Future Solar's mission is to provide solar power to communities and regions across North America, through developing and constructing utility scale solar power plants with more affordable, stable, and efficient solar photovoltaic technologies. Our solid and unique capacity of implementing the three integration approaches into solar power developments has made it a reality for investors to not only participate in the great power industry revolution with a passion to solve cyclical energy crises in an environmental friendly

manner, which has been fascinating people for over centuries, but also benefit from the great works with a sound return on investment. Should you be interested in solar power investments with us, please feel free to contact us, and we would like to hear from you.

- [50] Qin testified that not one investor ever contacted him as a result of the website. The Chinese investors all indicated on their nominee applications that they never saw any advertising for Future Solar in China and did not come to the investment by reason of any advertising.
- [51] The passage from the website quoted above is but one paragraph from a 160 page document, with the rest of the document describing the business activities of Future Solar and its future prospects. There was also no evidence that the website was translated into any Chinese language or that it was available in China. We do not view this reference in the website advertising to be representative of a securities solicitation to the public.
- [52] Staff points to a Future Solar brochure dated April 30, 2012 entitled "PNP Information for Investor Immigrants of Future Solar Developments Inc." In a section entitled "Returns on Investment in Solar Power", Future Solar represents that the investment has a lifespan of 20 years, with "an investment payback of eight years, and a steady income for at least the other twelve years" and goes on to state, with respect to the investment, that the "[a]verage annual return rate is 10%". The brochure further makes representations concerning plans to have Future Solar listed on the TSX-V and further plans for capital raising prior to going public:

Future Solar Developments Inc. plans to go public on the TSX Venture Exchange with a total capitalization of CAD \$100,000,000. The company plans to attract over 200 preferred stock shareholders around the world before going public and issue no less than 20 million preferred shares to invest in new projects where there is a contract with the government for solar power purchasing and to cover the expenses of going public and corporate governance.

The brochure clarifies that the investor will be entitled to "profits as the company grows and after it goes public" and that "[t]he investor will possibly be looking at

considerable return on his/her investment” but the investor must not redeem the principal or be paid interest or returns within a specified time period because of requirements imposed by the OPNP.

- [53] We find these statements and passage in the many paged brochure to be a natural inclusion of the business opportunity. No reasonable, prudent person will invest in a business venture, that is a start-up or in its initial stages without knowing the expected return and the path to an ultimate exit. The statements are not illustrative of a desire to merely sell securities without an underlying sound business plan. The fact that business ultimately ground to a halt does not lead to the implication that the business plans were a sham from the outset.
- [54] Staff pointed to the repetition of solicitations to obtain the investors, the monetary benefit that Qin would receive from the investments, the larger (\$6.96 million) than usual capital raised, the change in the business focus after October 2013 when the FIT contracts were transferred to Mann Solar with a 55-45% split of profits, the new focus on LED products and the small amount of money spent on the solar energy project as being factors that should give rise to the inference that Future Solar and Qin were in the business of trading in securities.
- [55] We do not agree. Qin impressed us as having an honest intention dating back to 2011 to develop a solar energy business. Well before he sought out the Chinese Immigrant Investors, he initiated his business, first at Cenith Energy, then at Future Solar by acquiring valuable FIT contracts which would generate substantial revenues that could then be used to expand the reach of Future Solar business into Light up GTA and retrofitting 8,000 Government of Canada buildings with LED lights. He signed a Memorandum of Understanding in this regard with SNC Lavalin Inc., which had a contract to conduct this work with the Government of Canada. We are persuaded that Qin’s vision was that of an entrepreneur who desired to develop a sustainable and growing business in the energy space. His capital raising activities through the Chinese investors was necessitated because Future Solar’s 51% partner, Aspire, did not fulfil its obligations under the Shareholders’ Agreement.
- [56] The trips to China, and the retention of Immigration Consultants, were normal activities that any company would undertake under OPNP to acquire capital to

fund a business, which the Government of Ontario endorsed and found to be of significant benefit to Ontario.

[57] Mr. Qin impressed us as forthright and honest. His evidence was responsive to questions asked of him and, in spite of the fact that he appeared without counsel, he cooperated with Staff and participated fully in the enforcement hearing. Not only were we impressed, but so too was the Government of Ontario, which bestowed an award on him and lauded his efforts to promote Ontario business in China.

[58] In sum, we are of the opinion that Future Solar and Qin were pursuing legitimate business interests and that their fundraising activities under OPNP were adjuncts to those activities and were not mainly the sale of securities akin to a registered dealer selling securities as its primary business.

Do the Provisions of s. 53(1) of the Act Extend to the Sale and Distribution of Securities Outside Ontario

[59] Staff contend that if there is a sufficient connection between the conduct at issue and Ontario that the provisions of the *Act* apply to the prospectus requirement.

[60] Indicia of a sufficient connection include that:

- all of the Corporate respondents were incorporated in Ontario;
- the registered office of the Corporate respondents is located in Ontario;
- the offices of the Corporate respondents operated from are located in Ontario;
- Qin, the directing mind of Future solar is an Ontario resident;
- the share certificates issued by Future Solar were signed in Ontario;
- funds for the purchase of Future Solar shares were deposited in Ontario bank accounts;
- the bank accounts were opened and maintained in Ontario.

- [61] We agree that there is a sufficient connection with Ontario. We also agree that previous decisions including *Crowe v. OSC* (2011 ONSC 6918 affirming *Re XI Biofuels Inc.* (2010), 33 OSCB 3077) have all held that jurisdiction was grounded in Ontario if there was a sufficient connection with Ontario. We also think those cases were correctly decided on their facts, but that the analysis in them addressed a situation where there were allegations or evidence of fraudulent misrepresentation, fraud or high pressure salesmanship.
- [62] It is our opinion that, where the distribution of securities takes place outside of Ontario and there is no conduct such as high pressure salesmanship or fraudulent conduct accompanying such distribution, and therefore no conduct that would bring the capital markets of Ontario into disrepute, and no need to protect investors in Ontario, the requirement to have a prospectus receipted in Ontario does not apply.
- [63] In our view, before the provisions of s. 53(1) can be applied to the distribution of securities outside Ontario, there must be a legitimate reason to raise concerns regarding the objects of the *Act*: the integrity of the capital markets in Ontario and the need to protect investors. If there was a charge of fraud or fraudulent misrepresentation under s. 126.1(1)(b) of the *Act* and some evidence to establish misconduct, those concerns would be raised and a panel could exercise its discretion to extend the provisions of s. 53(1) beyond the boundaries of Ontario. In this case, there was no charge under s. 126.1(1)(b) and no evidence led of misconduct by the respondents.
- [64] We therefore find that the prospectus requirements of section 53, on the facts of this case, do not apply.
- [65] In spite of our conclusion, we address the other arguments advanced.

The Prospectus Requirement

- [66] Subsection 53(1) of the *Act* provides:

No person or company shall trade in a security on his, her or its own account or on behalf of any other person or company if the trade would be a distribution of the security, unless a preliminary prospectus and a prospectus have been filed and receipts have been issued for them by the Director.

[67] The definition of “distribution” in the *Act* includes the following:

(1) a trade in securities of an issuer that have not been previously issued,

...

It is admitted that no prospectus was filed or receipted in connection with the impugned trades.

[68] As the Commission held in *Re Limelight* (2008), 31 OSCB 1727 at para. 139, a prospectus is fundamental to the protection of the investing public because it ensures that investors have full, true and plain disclosure of information to properly assess the risks of an investment and make an informed decision.

The Availability of an Exemption

[69] The two exemptions that the respondents raise are the Accredited Investor exemption and the private issuer exemption.

[70] Staff asserts, and correctly so, that the onus of establishing that they are entitled to an exemption falls upon the respondents and contends that they have failed in their onus. We are of the view that, if the evidence is clear enough that any particular exemption is demonstrated on the facts, we should consider it in spite of the fact that the respondents could have brought further evidence to establish support for the exemption.

[71] An Accredited Investor means:

(j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1 000 000,

(k) an individual whose net income before taxes exceeded \$200 000 in each of the 2 most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300 000 in each of the 2 most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year,

(l) an individual who, either alone or with a spouse, has net assets of at least \$5 000 000,

- [72] The rationale behind the Accredited Investor exemption is that it is presumed that persons who have the requisite level of income or assets are sophisticated investors who do not require the safeguard of the full, true and plain disclosure contained in a prospectus. These persons can make the necessary inquiries to satisfy themselves of the particulars and risks involved in the investment.
- [73] Staff, quite properly, acknowledged that seven of the investors qualify as accredited investors, based on their personal net worth statements appended to their OPNP Investor Applications. Four do not qualify.
- [74] Three of the four investors who do not qualify as accredited investors had net worth of Investor A \$2,722,400; Investor B \$3,050,453; Investor C \$4,387,291 and Investor D \$5,181,669.39 including their payments to Future Solar and their commitments to pay the balance to Future Solar. If those future commitments are deducted from the net worth statements, as Staff contends they should be, none of the four investors qualify as an Accredited Investor. If they are not deducted, then Investor D does qualify.
- [75] In reviewing the two most recent calendar years' income of the four investors, it appears that Investor A has earned a little above or a little below \$200,000 depending on the exchange rate of the Canadian dollar to the Yuan. We are prepared to give him the benefit of the doubt.

Private Issuer

- [76] A private issuer need not file a prospectus. A private issuer is one that is not a reporting issuer and issues its securities to fewer than 50 persons who qualify because they bear certain characteristics enumerated under NI 45-106.
- [77] The lengthy enumerated list includes a wide array of family members, close business associates and close friends. It also includes Accredited Investors.
- [78] Suffice it to say that regulators have permitted a distribution to fewer than 50 persons where there is an affinity between them and the principals of the issuer. The logic underlying the list of qualifying persons is that because there is a relationship with the issuer, it is presumed that they either have, or can easily

obtain, sufficient information regarding the issuer to come to an informed decision whether to invest or not.

[79] The last bullet point in NI 45-106 is "a person that is not the public". Its inclusion is a type of basket clause which informs the list of specified relationships that precedes it. It stands for the proposition that, as long as the distribution is not to total strangers but to a group of people who come within a defined category, a distribution to fewer than 50 persons is permitted.

[80] In this case, a few of the 11 investors were known to either Qin or to Li. Further, they were investors of significant wealth and with the desire to emigrate to Ontario. We feel that they are not "the public" at large. They formed part of a network of people known to the immigration consultants as desirous of investing abroad and emigrating to a foreign country.

[81] When viewed with the seven or eight people who are Accredited Investors, the few individuals known to Qin and/or Li, the Future Solar materials provided to each investor and the questioning by those investors of the investment opportunity, we conclude that the distribution of preference shares to the 11 investors is from a private issuer.

CONCLUSION

[82] We therefore dismiss the allegations of Staff in this matter against Future Solar Developments Inc., Cenith Energy Corporation, Cenith Air Inc., Angel Immigration Inc. and Xundong Qin also known as Sam Qin, and order that Staff take the necessary steps, as expeditiously as possible, to rescind the Freeze Directions in this matter that have been filed with the Superior Court of Justice.

DATED at Toronto this 4th day of May, 2016.

"Alan J. Lenczner"

Alan J. Lenczner

"D. Grant Vingoe"

D. Grant Vingoe

"Deborah Leckman"

Deborah Leckman