



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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

22e étage
20, rue queen ouest
Toronto ON M5H 3S8

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

- and -

**IN THE MATTER OF
WAVERLEY CORPORATE FINANCIAL SERVICES LTD.
AND DONALD MCDONALD**

**ORDER
(Subsection 8(4))**

WHEREAS:

1. Waverley Corporate Financial Services Ltd. (“Waverley”) is registered as an exempt market dealer and Donald McDonald (“McDonald”) is registered as the Ultimate Designated Person and Chief Compliance Officer of Waverley;
2. on July 15, 2016, the Director of the Compliance and Registrant Regulation branch (the “Director”) of the Ontario Securities Commission (the “Commission”) issued a decision with respect to the registration of Waverley that:
 - a. Waverley cease all activity conducted under the Issuer-Connected DR Model and shall not sponsor a dealing representative, except in accordance with Ontario securities law, effective 30 days from the date of her decision to allow for an orderly transition; and
 - b. McDonald is required to successfully complete, and provide proof thereof, the Osgoode Certificate in Regulatory Compliance and Legal Risk Management for Financial Institutions, by no later than July 15, 2017;
(the “Director’s Decision”)
3. on July 20, 2016, Waverley (the “Applicant”) requested a hearing and review of the Director’s Decision by the Commission pursuant to s. 8(2) of the *Securities Act*, RSO 1990, c S.5, as amended

(the “Act”) (the “Hearing and Review”) and pursuant to s. 8(4) of the *Act*, the Applicant requested a stay of the Director’s Decision pending the disposition of the Hearing and Review;

4. Staff did not oppose the requested stay of the Director’s Decision provided that certain terms were imposed on the Applicant as part of the stay order whereas the Applicant sought a stay order without terms;
5. upon reviewing the affidavit of Donald McDonald sworn August 3, 2016, the written submissions of the parties and upon hearing the submissions of counsel for the Applicant 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 Director’s Decision be stayed, subject to the following condition:
 - a. Waverley shall not file any applications for any new dealing representatives that are connected to an issuer within the meaning of the definition of “connected issuer” found at section 1.1 of National Instrument 33-105 *Underwriting Conflicts*, pending the Commission's decision on the Hearing and Review;
2. the stay order shall continue in force until a decision is rendered by the Panel presiding over the Hearing and Review;
3. the Applicant shall serve and file the record of the proceeding before the Director, any statement of fact and law and shall comply with Rule 14.5 of the *OSC Rules of Procedure* by August 22, 2016;
4. Staff of the Commission shall deliver any record in response, any statement of fact and law and shall comply with Rule 14.5 by September 2, 2016; and
5. the Hearing and Review shall commence on September 12, 2016, at 10:00 a.m. and shall continue on September 15, 2016 at 9:00 a.m.

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

“*Alan Lenczner*”

Alan Lenczner, Q.C.