



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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Toronto ON M5H 3S8

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Toronto ON M5H 3S8

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

- and -

**IN THE MATTER OF
BENEDICT CHENG, FRANK SOAVE,
JOHN DAVID ROTHSTEIN and ERIC TREMBLAY**

**ORDER
(Subsection 127(1) of the *Securities Act*)**

WHEREAS:

1. on April 12, 2017, the Ontario Securities Commission (the "**Commission**") issued a Notice of Hearing in relation to the Statement of Allegations filed by Staff of the Commission ("**Staff**") on April 12, 2017 with respect to Benedict Cheng, Frank Soave, John David Rothstein ("**Rothstein**"), and Eric Tremblay;
2. on April 12, 2017, the Commission also issued a second Notice of Hearing in relation to a settlement agreement between Rothstein and Staff dated April 12, 2017 (the "**Settlement Agreement**"), setting a hearing date of April 18, 2017 to consider whether it is in the public interest for the Commission to approve the Settlement Agreement;
3. pursuant to the Settlement Agreement, Rothstein has undertaken to the Commission in the form attached as Schedule "B" to the Settlement Agreement, to cooperate with Staff in its investigation, including, if required, testifying as a witness for Staff in any proceedings commenced or continued by Staff or the Commission relating to the matters set out in the Settlement Agreement and meeting with Staff in advance of any such proceeding to prepare for that testimony;
4. Rothstein acknowledges that the Settlement Agreement and this Order may form the basis for orders of parallel effect in other jurisdictions in Canada;

5. the Commission reviewed the Settlement Agreement and the Statement of Allegations and heard submissions from counsel for Rothstein and Staff; and
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. trading in any securities or derivatives by the Respondent cease for a period of two years commencing on the date of the Order, pursuant to paragraph 2 of subsection 127(1) of the *Securities Act*, RSO 1990, c S.5 (the "**Act**");
3. the acquisition of any securities by the Respondent cease for a period of two years commencing on the date of the Order, pursuant to paragraph 2.1 of subsection 127(1) of the Act;
4. the Respondent be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;
5. the Respondent resign any positions that he holds as a director or officer of an issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;
6. the Respondent be prohibited from becoming or acting as a director or officer of any issuer for a period of two years commencing on the date of the Order, pursuant to paragraph 8 of subsection 127(1) of the Act;
7. the Respondent resign any positions that he holds as a director or officer of a registrant, pursuant to paragraph 8.1 of subsection 127(1) of the Act;
8. the Respondent be prohibited from becoming or acting as a director or officer of a registrant for a period of two years commencing on the date of the Order, pursuant to paragraph 8.2 of subsection 127(1) of the Act;
9. the Respondent resign any positions that he holds as a director or officer of an investment fund manager, pursuant to paragraph 8.3 of subsection 127(1) of the Act;

10. the Respondent is prohibited from becoming or acting as a director or officer of an investment fund manager for a period of two years commencing on the date of the Order, pursuant to paragraph 8.4 of subsection 127(1) of the Act;
11. the Respondent is prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter for a period of two years commencing on the date of the Order, pursuant to paragraph 8.5 of subsection 127(1) of the Act;
12. the Respondent pay an administrative penalty in the amount of \$5,500, pursuant to paragraph 9 of subsection 127(1) of the Act, which 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;
13. the Respondent disgorge to the Commission the amount of \$5,500, pursuant to paragraph 10 of subsection 127(1) of the Act, which 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
14. After the payments set out in paragraphs 12 and 13 are made in full, as an exception to the provisions of paragraphs 2 and 3, the Respondent is permitted to trade in or acquire securities in his personal registered retirement savings plan accounts and/or his tax-free savings accounts and/or for any registered education savings plan accounts for which he is a beneficiary or a sponsor.

DATED at Toronto, this 18th day of April, 2017.

"Janet Leiper"

Janet Leiper

"AnneMarie Ryan"

AnneMarie Ryan