



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

**EDWARD FURTAK, AXTON 2010 FINANCE CORP., STRICT TRADING LIMITED,
RONALD OLSTHOORN, TRAFALGAR ASSOCIATES LIMITED, LORNE ALLEN AND
STRICTRADE MARKETING INC.**

Janet Leiper, Chair of the Panel
D. Grant Vingoe, Vice-Chair
AnneMarie Ryan, Commissioner

May 4, 2017

ORDER

Sections 127 and 127.1 of the
Securities Act, RSO 1990, c S.5

WHEREAS on January 30, 2017 and March 2 and 3, 2017, the Ontario Securities Commission held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario, to determine whether it is in the public interest to impose sanctions and costs in respect of Edward Furtak (**Furtak**), Axton 2010 Finance Corp. (**Axton**), Strict Trading Limited (**STL**), Ronald Olsthoorn (**Olsthoorn**), Trafalgar Associates Limited (**TAL**), Lorne Allen (**Allen**) and Strictrade Marketing Inc. (**SMI**) (collectively, the **Respondents**).

ON READING the written submissions and on hearing the oral submissions of the representatives for Staff and the Respondents;

IT IS ORDERED THAT:

1. with respect to Furtak, Axton and STL:
 - a. pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the *Securities Act*, RSO 1990, c S.5 (the **Act**), each of Furtak, Axton and STL shall cease trading in and acquiring securities for 10 years, with the exception that Furtak may trade and acquire securities for his RRSP accounts after the administrative penalty at subparagraph 1(e) and disgorgements at subparagraphs 1(f), 3(f) and 5(f) ordered against him below are paid in full;
 - b. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to each of Furtak, Axton and STL for 10 years;
 - c. pursuant to paragraph 6 of subsection 127(1) of the Act, each of Furtak, Axton and STL is reprimanded;

- d. pursuant to paragraph 8.5 of subsection 127(1) of the Act, each of Furtak, Axton and STL is prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter for 10 years;
 - e. pursuant to paragraph 9 of subsection 127(1) of the Act, Furtak, Axton and STL shall jointly and severally pay to the Commission an administrative penalty of \$75,000, which amount shall be designated for allocation or use by the Commission in accordance with subsection 3.4(2) of the Act;
 - f. pursuant to paragraph 10 of subsection 127(1) of the Act, Furtak, Axton and STL shall jointly and severally disgorge to the Commission \$180,298.66, which amount shall be designated for allocation or use by the Commission in accordance with subsection 3.4(2)(b) of the Act; and
 - g. pursuant to section 127.1 of the Act, Furtak, Axton and STL shall jointly and severally pay \$186,013.77 in respect of part of the costs of the Commission's investigation and hearings;
2. with respect to Furtak:
- a. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Furtak shall resign any position he holds as a director or officer of an issuer, registrant or investment fund manager; and
 - b. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Furtak is prohibited from becoming or acting as a director or officer of an issuer, registrant or investment fund manager for 10 years;
3. with respect to Olsthoorn and TAL:
- a. pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the Act, each of Olsthoorn and TAL shall cease trading in and acquiring securities for 8 years, with the exception that Olsthoorn may trade and acquire securities for his RRSP accounts after the administrative penalty at subparagraph 3(e) and disgorgement at subparagraph 3(f) ordered against him below are paid in full;
 - b. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to each of Olsthoorn and TAL for 8 years;
 - c. pursuant to paragraph 6 of subsection 127(1) of the Act, each of Olsthoorn and TAL is reprimanded;
 - d. pursuant to paragraph 8.5 of subsection 127(1) of the Act, each of Olsthoorn and TAL is prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter for 8 years;
 - e. pursuant to paragraph 9 of subsection 127(1) of the Act, Olsthoorn and TAL shall jointly and severally pay to the Commission an administrative penalty of \$35,000, which amount shall be designated for allocation or use by the Commission in accordance with subsection 3.4(2) of the Act;
 - f. pursuant to paragraph 10 of subsection 127(1) of the Act, Olsthoorn and TAL shall, on a joint and several basis with Furtak, Axton and STL, disgorge to the Commission \$14,415, which amount shall be designated for allocation or use by the Commission in accordance with subsection 3.4(2)(b) of the Act; and

- g. pursuant to section 127.1 of the Act, Olsthoorn and TAL shall jointly and severally pay \$139,510.33 in respect of part of the costs of the Commission's investigation and hearings;
- 4. with respect to Olsthoorn:
 - a. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Olsthoorn shall resign any position he holds as a director or officer of an issuer, registrant or investment fund manager; and
 - b. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Olsthoorn is prohibited from becoming or acting as a director or officer of an issuer, registrant or investment fund manager for 8 years;
- 5. with respect to Allen and SMI:
 - a. pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the Act, each of Allen and SMI shall cease trading in and acquiring securities for 6 years, with the exception that Allen may trade and acquire securities for his RRSP accounts after the administrative penalty at subparagraph 5(e) and disgorgement at subparagraph 5(f) ordered against him below are paid in full;
 - b. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to each of Allen and SMI for 6 years;
 - c. pursuant to paragraph 6 of subsection 127(1) of the Act, each of Allen and SMI is reprimanded;
 - d. pursuant to paragraph 8.5 of subsection 127(1) of the Act, each of Allen and SMI is prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter for 6 years;
 - e. pursuant to paragraph 9 of subsection 127(1) of the Act, Allen and SMI shall jointly and severally pay to the Commission an administrative penalty of \$25,000, which amount shall be designated for allocation or use by the Commission in accordance with subsection 3.4(2) of the Act;
 - f. pursuant to paragraph 10 of subsection 127(1) of the Act, Allen and SMI shall, on a joint and several basis with Furtak, Axton and STL, disgorge to the Commission \$21,825, which amount shall be designated for allocation or use by the Commission in accordance with subsection 3.4(2)(b) of the Act; and
 - g. pursuant to section 127.1 of the Act, Allen and SMI shall jointly and severally pay \$139,510.33 in respect of part of the costs of the Commission's investigation and hearings;
- 6. with respect to Allen:
 - a. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Allen shall resign any position he holds as a director or officer of an issuer, registrant or investment fund manager; and

- b. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Allen is prohibited from becoming or acting as a director or officer of an issuer, registrant or investment fund manager for 6 years.

"Janet Leiper"

Janet Leiper

"D. Grant Vingoe"

D. Grant Vingoe

"AnneMarie Ryan"

AnneMarie Ryan