



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

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**IN THE MATTER OF  
QUADREXX HEDGE CAPITAL MANAGEMENT LTD.,  
QUADREXX SECURED ASSETS INC., MIKLOS NAGY and TONY SANFELICE**

Timoth Moseley, Vice-Chair and Chair of the Panel  
Philip Anisman, Commissioner  
AnneMarie Ryan, Commissioner

January 23, 2018

**ORDER**

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

WHEREAS on October 24, 25 and 26, 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 consider the sanctions and costs that the Commission should impose on the respondents as a result of the findings in the Commission's Reasons and Decision on the merits, issued on February 6, 2017;

ON READING the materials filed by, and on hearing the submissions of, the respondents and the representatives for Staff of the Commission;

IT IS ORDERED THAT:

1. Pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the *Securities Act*, RSO 1990, c S.5 (the **Act**), Miklos Nagy (**Nagy**), Tony Sanfelice (**Sanfelice**), Quadrex Hedge Capital Management Inc. (**QHCM**) and Quadrex Secured Assets Inc. (**QSA**) are prohibited permanently from trading in or acquiring any securities;
2. Pursuant to paragraph 3 of subsection 127(1) of the Act, all exemptions contained in Ontario securities law shall not apply to Nagy, Sanfelice, QHCM and QSA, permanently;
3. Pursuant to paragraphs 7 and 8 of subsection 127(1) of the Act, Nagy and Sanfelice shall resign all positions they hold as an officer or director of any issuers no later than 30 days after the date of this Order and thereafter are prohibited permanently from becoming or acting as a director or officer of any issuer;
4. Pursuant to paragraphs 8.1, 8.2, 8.3 and 8.4 of subsection 127(1) of the Act, Nagy and Sanfelice shall resign from any positions they hold as an officer or director of a registrant, including an investment fund manager, and are prohibited permanently from becoming or acting as a director or officer of a registrant, including an investment fund manager;

5. Pursuant to paragraph 8.5 of subsection 127(1) of the Act, Nagy, Sanfelice and QHCM are prohibited permanently from becoming or acting as a registrant, as an investment fund manager, or as a promoter;
6. Pursuant to paragraph 9 of subsection 127(1) of the Act:
  - a. Nagy and Sanfelice shall each pay to the Commission an administrative penalty of \$600,000.00; and
  - b. QHCM shall pay to the Commission an administrative penalty of \$300,000.00;
7. Pursuant to paragraph 10 of subsection 127(1) of the Act:
  - a. Nagy shall disgorge to the Commission \$482,660.67;
  - b. Sanfelice shall disgorge to the Commission \$323,382.28; and
  - c. Nagy and Sanfelice shall jointly and severally disgorge to the Commission \$2,495,277.00;
8. Each of the payments required by paragraphs 6 and 7 of this Order is designated for allocation or use by the Commission in accordance with subparagraph 3.4(2)(b)(i) or (ii) of the Act; and
9. Pursuant to section 127.1 of the Act:
  - a. Nagy and Sanfelice shall jointly and severally pay the Commission costs of \$300,000.00;
  - b. Nagy, Sanfelice and QHCM shall jointly and severally pay the Commission costs of \$150,000.00; and
  - c. Nagy, Sanfelice and QSA shall jointly and severally pay the Commission costs of \$100,000.00.

*"Timothy Moseley"*

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Timothy Moseley

*"Philip Anisman"*

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Philip Anisman

*"AnneMarie Ryan"*

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AnneMarie Ryan