



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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20 Queen Street West
Toronto ON M5H 3S8

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20, rue queen ouest
Toronto ON M5H 3S8

**IN THE MATTER OF
PRO-FINANCIAL ASSET MANAGEMENT INC.,
STUART MCKINNON and JOHN FARRELL**

AnneMarie Ryan, Commissioner and Chair of the Panel
Timothy Moseley, Vice-Chair
Janet Leiper, Commissioner

April 23, 2018

ORDER

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

WHEREAS on February 14, 2018, 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 April 20, 2017;

ON READING the materials filed by, and on hearing the submissions of, the representatives for each of Staff of the Commission and Stuart McKinnon (**McKinnon**); with no one appearing for Pro-Financial Asset Management Inc. (**PFAM**), although properly served; and with no one appearing for John Farrell, having settled the allegations against him in respect of this proceeding;

IT IS ORDERED THAT:

1. Pursuant to paragraph 2 of subsection 127(1) of the *Securities Act*, RSO 1990, c S.5 (the **Act**), McKinnon and PFAM are prohibited from trading in any securities for 10 years;
2. Pursuant to paragraph 2.1 of subsection 127(1) of the Act, McKinnon and PFAM are prohibited from acquiring any securities for 10 years;
3. Pursuant to paragraph 3 of subsection 127(1) of the Act, all exemptions contained in Ontario securities law shall not apply to McKinnon and PFAM for 10 years;
4. Pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, McKinnon shall resign from any positions he holds as a director or officer of any issuer, registrant or investment fund manager;
5. Pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, McKinnon is prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for 10 years;

6. Pursuant to paragraph 8.5 of subsection 127(1) of the Act, McKinnon and PFAM are prohibited from becoming or acting as a registrant, an investment fund manager or a promoter for 10 years;
7. Pursuant to paragraph 9 of subsection 127(1) of the Act, McKinnon and PFAM shall each pay to the Commission an administrative penalty of \$200,000.00, within 30 days of the date of this order;
8. Pursuant to paragraph 10 of subsection 127(1) of the Act, McKinnon and PFAM shall jointly and severally disgorge to the Commission \$1,181,397.00, within 30 days of the date of this order;
9. Each of the payments required by paragraphs 7 and 8 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
10. Pursuant to section 127.1 of the Act, McKinnon and PFAM shall jointly and severally pay the Commission costs of \$487,950.34, within 30 days of the date of this order.

"AnneMarie Ryan"

AnneMarie Ryan

"Timothy Moseley"

Timothy Moseley

"Janet Leiper"

Janet Leiper