IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, c.S.5, AS AMENDED

AND

ROBERT PATRICK ZUK, DANE ALAN WALTON
DEREK REID, IVAN DJORDJEVIC,
DANIEL DAVID DANZIG,
and MATTHEW NOAH COLEMAN

SETTLEMENT AGREEMENT BETWEEN MATTHEW NOAH COLEMAN AND STAFF OF THE ONTARIO SECURITIES COMMISSION

I. INTRODUCTION

1. By Notice of Hearing dated March 16, 2007, the Commission announced that it proposed to hold a hearing to consider whether, pursuant to section 127 of the *Securities Act,* R.S.O. 1990, c. S.5 (the "*Act*"), it is in the public interest for the Commission to make an order approving the settlement agreement entered into between Staff of the Commission and the respondent Matthew Noah Coleman.

II. JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission ("Staff") recommend settlement with Matthew Noah Coleman (also referred to hereafter as the "Respondent") in accordance with the terms and conditions set out below. The Respondent agrees to the settlement on the basis of the facts set out in Part III herein and consents to the making of an Order in the form attached as Schedule "A" on the basis of the facts set out in Part III herein.

3. The terms of this settlement agreement, including the attached Schedule "A" (collectively, the "Settlement Agreement") will be released to the public only if and when the Settlement Agreement is approved by the Commission.

III AGREED FACTS

4. For the purposes of this settlement agreement, the Respondent agrees with the facts set out in Part III of this agreement.

(a) Background

5. Visa Gold Explorations Inc. ("Visa Gold") was a reporting issuer that was involved in the recovery of underwater artefacts. Trading in Visa Gold's shares was first reported on the Canadian Dealing Network ("CDN") on August 25, 1999. Visa Gold common shares traded over the counter and were quoted on the CDN until October 10, 2000, when Visa Gold shares began trading on the CDNX. Visa Gold shares continued to trade on the CDNX until December 19, 2002 when trading in Visa Gold's shares was suspended. Visa Gold's shares were cease traded on May 28, 2003 and remain cease traded.

6. The Respondent Robert Patrick Zuk ("Zuk") is an Ontario resident. He is a stock promoter who, to the knowledge of the Respondent, was hired by Visa Gold to generate investment interest in Visa Gold. The Respondent was first introduced to Zuk by Dane Walton in or about 1995 while the Respondent was employed as a registered representative at Merit Investment Corp. The Respondent first engaged in a business relationship with Zuk in July 1999 when Zuk opened a personal and corporate brokerage account with the Respondent. At around the same time, Zuk referred the Zuk-Related Accounts (as defined in this Settlement Agreement) to the Respondent.

7. The Respondent Matthew Noah Coleman ("Coleman") is 38 years old. Between May 1994 and February 2006, the Respondent was a registered representative. At all material times, the Respondent was employed by Dundee Securities Corporation ("Dundee"). The Respondent is currently unemployed.

(b) Background of Visa Gold and of Zuk's Shareholding in Visa Gold

8. Visa Gold originated as a privately-held company. In February 1998, Visa Gold entered into a joint venture agreement with a Cuban state-owned entity to explore historic shipwrecks and recover artefacts within Cuba's territorial waters. Visa Gold became a public company on or about August 25, 1999, and its trades were reported to the public on the CDN and subsequently, the CDNX.

(c) Zuk's Trading Activity in Visa Gold Shares

(i) Brokerage Accounts used by Zuk

9. In the period between August 1999 and November 2001, Zuk gave trading instructions in and/or arranged for the purchase or sale of Visa Gold shares by 8 brokerage accounts (the "Client Accounts") at Dundee over which the Respondent had client responsibility as a registered representative. The Client Accounts included 2 in Zuk's own name and accounts in the names of the following individuals and companies: Bruce Hodgman (1 account), Lisa Laudenbach (1 account), ENT Management Inc. (1 account), Christine Sheehan (1 account), Wilkinson International Ltd. (1 account) and Paul Frustaglio (1 account) (collectively, the "Zuk-Related Accounts"). Zuk did not have written trading authority in any of the Zuk-Related Accounts, although the Zuk-Related Clients advised the Respondent orally that Zuk could enter trades in their accounts. Each of the Zuk-Related clients, to the Respondent's knowledge, were related to Visa Gold or Zuk by employment, by family relationship or by providing investor relations services pertaining to Visa Gold.

(ii) Trading in Client Accounts

10. With the Respondent acting as registered representative, Zuk gave trading instructions in, or directed trades to, the Client Accounts, in circumstances in which the Respondent ought to have known that the trades could create a misleading appearance as to the volume of trading in Visa Gold's common shares and as to the market price for those shares.

11. The Respondent was aware that Zuk was an active trader and promoter of Visa Gold's shares, by virtue of acting as registered representative in the 8 Client Accounts. To the Respondent's knowledge, Zuk was involved in hundreds of trades involving millions of shares of Visa Gold in those accounts on both the buy side of trades and the sell side of trades. Those trades were reported to the public on the CDN or the CDN-X. The total volume of trading in Visa Gold shares in the Client Accounts exceeded 7 million shares on each of the buy and sell sides of the trade. For 17 days on which the Client Accounts traded in Visa Gold shares, the volume of the trades in the Client Accounts exceeded 30% of the daily volume of trading, with the Client Account trading on 2 days reaching 97% of the daily volume of trading in Visa Gold shares.

12. The Respondent on several occasions processed trades in Visa Gold shares in the Client Accounts at or near month end. The sole purpose of those trades, which were reported in the CDN or CDN-X markets, was the elimination of debit balances that had accumulated in one or more of the Client Accounts. In the relevant period, Dundee required that debit balances in client accounts be cleared by the end of each month. This could be accomplished by depositing funds to pay for shares; if, however, the client was not willing or able to deposit funds, the firm would sell the shares in the open market to eliminate the debit balance. In order to avoid a sell-out of Visa Gold shares by the firm at month end, Zuk sold the shares in order to eliminate debit balances from the Client Accounts over month end. Visa Gold shares were often purchased in one of the Client Accounts early in the next month, again creating a debit balance. By participating in this repetitive pattern in the Client Accounts, the Respondent ought to have known that the Client Accounts were engaged in free riding or, alternatively stated, were using the firms' capital to finance their trading activities in Visa Gold shares.

13. The Respondent was also aware that Visa Gold share certificates were being deposited into the Client Accounts in furtherance of the trading activities described herein. In respect of certain Zuk-Related Clients, the Respondent acted on trading instructions from Zuk for accounts where there was no proper third party trading

authorization in place and/or accepted trading instructions from certain Zuk-Related Clients with knowledge that their trading was being directed by Zuk.

14. The Respondent was the registered representative in 8 Uptick Trades and 2 High Close Trades where a Zuk Controlled Account was the purchaser.

15. The Uptick Trades and High Close Trades in which the Respondent was involved as registered representative created an upward pressure on the price of Visa Gold's shares. The Respondent ought to have recognized that since Zuk was acting as a stock promoter for Visa Gold, he would benefit from an increased trading price and/or the appearance of interest in Visa Gold shares that an increase in trading volume could create. The Zuk-Related Clients, by virtue of their relationships to Zuk or Visa Gold, as described above, each had a similar interest.

(v) Market price of Visa Gold shares

16. At the commencement of public trading, the common shares of Visa Gold were trading in the range of $1.65-$1.75 per share. The stock peaked at $2.05 per share.

17. The Respondent earned $75,262.00 in commissions on the total trading activity in Visa Gold shares in the Client Accounts between July 1999 and November 2001.

IV THE RESPONDENT'S POSITION

18. The Uptick Trades and the trades that resulted in High Close Trades undertaken by the Respondent were all within the posted bid/ask spread and typically did not increase the bid/ask price as set by the various market makers. In addition, one of the two trades that resulted in a High Close Trade was entered on the sell side by Brant Securities Limited at 3:44 p.m., while bids and offers were live on the CDN until 5:00 p.m.

19. The Respondent ceased working as a registered representative with Union Securities Ltd. ("Union") in February 2006. The Respondent has not earned any employment income since resigning from Union in February 2006, but has supported himself by trading in securities for his own account.

20. The Respondent has never been the subject of any prior disciplinary proceeding.

V CONDUCT CONTRARY TO THE PUBLIC INTEREST

21. The Respondent ought to have known that the Visa Gold trades in the Client Accounts for which he was the registered representative, as described above, could create a misleading appearance as to market activity for Visa Gold shares and/or as to the price of those shares.

22. The Respondent failed in his role as a gatekeeper in the capital markets by facilitating the trading described above.

23. The Respondent's conduct was contrary to the public interest.

VI TERMS OF SETTLEMENT

24. The Respondent agrees to the following terms of settlement, to be set out in an order by the Commission pursuant to s. 127(1) of the Act, as follows:

(a) that the Respondent's registration will be terminated on the date of the Order and the Respondent undertakes not to reapply for registration for a period of 5 years from the date of the Order;

(b) subject to (c) below, for a period of 2 years from the date of the Order approving this Settlement Agreement, the Respondent will be restricted to trading in securities in one RRSP account and one non-RRSP account wholly beneficially owned by the Respondent

and held at a single full service registered dealer (which accounts the Respondent will identify in writing to the Director of Enforcement of the Ontario Securities Commission), if the securities:

1. are debt instruments that cannot be converted (directly or indirectly) into shares;

2. are listed on NASDAQ, New York Stock Exchange, Amex, Toronto Stock Exchange, TSX Venture Exchange, London Stock Exchange (excluding AIM) or the Frankfurt Stock Exchange (Prime Standard);

3. are not exempt securities for purposes of the Ontario Securities Act, save and except for securities referred to in clauses 1 and 10 of subsection 35(2) of the Ontario Securities Act; or

4. are securities in which the Respondent does not hold more than one (1) percent of the outstanding securities of the class or series of the class in question.

(c) the Respondent may dispose of 75,000 shares of Champion Minerals Inc. (formerly Champion Natural Health.com Inc.) and 10,000 shares of Industrial Electric Services Inc., currently owned by him or his registered retirement savings plan, at any time during the term of the order, which trades may otherwise contravene paragraph (b) above;

(d) subject to (b) above, that any exemptions contained in Ontario securities law do not apply to the Respondent for a period of 2 years from the date of the Order;

(e) that the Respondent will contribute to the Commission's costs of its investigation, in the amount of $10,000; and

(f) that the Respondent will cooperate with Staff in its investigation of trading in Visa Gold shares, including testifying as a witness for Staff at any proceedings commenced by Staff and meeting with Staff in advance of that proceeding to prepare for that testimony.

VII STAFF COMMITMENT

25. If this Settlement Agreement is approved by the Commission, Staff will not initiate any proceeding under Ontario securities law in respect of any conduct or alleged conduct of the Respondent in relation to the facts set out in Part III of this Settlement Agreement, subject to the provisions of paragraph 29 below.

VIII. PROCEDURE FOR APPROVAL OF SETTLEMENT

26. Approval of this Settlement Agreement shall be sought at a hearing of the Commission on a date agreed to by Staff and the Respondent.

27. Staff and the Respondent may refer to any part, or all, of the Settlement Agreement at the Settlement Hearing. Staff and the Respondent also agree that if this Settlement Agreement is approved by the Commission, it will constitute the entirety of the evidence to be submitted respecting the Respondent in this matter, and the Respondent agrees to waive his rights to a full hearing, judicial review or appeal of the matter under the Act.

28. Staff and the Respondent agree that if this Settlement Agreement is approved by the Commission, neither Staff nor the Respondent will make any public statement inconsistent with this Settlement Agreement.

29. If this Settlement Agreement is approved by the Commission and, at any subsequent time, the Respondent fails to honour any of the Terms of Settlement set out in Part VI herein, Staff reserve the right to bring proceedings under Ontario securities law against the Respondent based on, but not limited to, the facts set out in Part III of the Settlement Agreement, as well as the breach of the Settlement Agreement.

30. If, for any reason whatsoever, this Settlement Agreement is not approved by the Commission or an Order in the form attached as Schedule "A" is not made by the Commission, each of Staff and the Respondent will be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations in the Notice of Hearing and Statement of Allegations, unaffected by this Settlement Agreement or the settlement negotiations.

31. Whether or not this Settlement Agreement is approved by the Commission, the Respondent agrees that he will not, in any proceeding, refer to or rely upon this Settlement Agreement or the negotiation or process of approval of this Settlement Agreement as the basis for any allegation against the Commission of lack of jurisdiction, bias, appearance of bias, unfairness, or any other remedy or challenge that may otherwise be available.

IX. DISCLOSURE OF AGREEMENT

32. The terms of this Settlement Agreement will be treated as confidential by all parties hereto until approved by the Commission, and forever if, for any reason whatsoever, this Settlement Agreement is not approved by the Commission, except with the written consent of both the Respondent and Staff or as may be required by law.

33. Any obligations of confidentiality shall terminate upon approval of this Settlement Agreement by the Commission.

X. EXECUTION OF SETTLEMENT AGREEMENT

34. This Settlement Agreement may be signed in one or more counterparts which together shall constitute a binding agreement.

35. A facsimile copy of any signature shall be effective as an original signature.

Dated this 15th day of March, 2007

"Matthew Scott"
Witness

"Matthew Coleman"
Matthew Noah Coleman

Dated this 15th day of March, 2007

STAFF OF THE ONTARIO SECURITIES COMMISSION

"Michael Watson"
Michael Watson
Director, Enforcement Branch

Schedule A

IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, c.S.5, AS AMENDED

AND

ROBERT PATRICK ZUK, DANE ALAN WALTON
DEREK REID, IVAN DJORDJEVIC,
DANIEL DAVID DANZIG,
and MATTHEW NOAH COLEMAN

ORDER

WHEREAS on March 11, 2005 the Commission issued a Notice of Hearing pursuant to section 127 of the *Securities Act* (the "Act") in respect of trading in the shares of Visa Gold Explorations Inc.;

AND WHEREAS on March 11, 2005 Staff of the Commission filed a Statement of Allegations;

AND WHEREAS on September 25, 2006, Staff of the Commission filed an Amended Statement of Allegations;

AND WHEREAS Matthew Noah Coleman entered into a settlement agreement dated March 13, 2007 (the "Settlement Agreement") in relation to the matters set out in the Amended Statement of Allegations;

AND WHEREAS the Commission issued a Notice of Hearing dated March 13, 2007 setting out that it proposed to consider the Settlement Agreement;

UPON reviewing the Settlement Agreement, the Notice of Hearing, the Amended Statement of Allegations, and upon considering submissions from Matthew Noah Coleman and from Staff of the Commission;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order;

IT IS HEREBY ORDERED, PURSUANT TO SECTIONS 127 AND 127.1 OF THE ACT, THAT:

(a) that the Respondent's registration will be terminated on the date of the Order and the Respondent undertakes not to reapply for registration for a period of 5 years from the date of the Order;

(b) subject to (c) below, for a period of 2 years from the date of the Order approving this Settlement Agreement, the Respondent will be restricted to trading in securities in one RRSP account and one non-RRSP account wholly beneficially owned by the Respondent and held at a single full service registered dealer (which accounts the Respondent will identify in writing to the Director of Enforcement of the Ontario Securities Commission), if the securities:

1. are debt instruments that cannot be converted (directly or indirectly) into shares;

2. are listed on NASDAQ, New York Stock Exchange, Amex, Toronto Stock Exchange, TSX Venture Exchange, London Stock Exchange (excluding AIM) or the Frankfurt Stock Exchange (Prime Standard);

3. are not exempt securities for purposes of the Ontario Securities Act, save and except for securities referred to in clauses 1 and 10 of subsection 35(2) of the Ontario Securities Act; or

4. are securities in which the Respondent does not hold more than one (1) percent of the outstanding securities of the class or series of the class in question.

(c) the Respondent may dispose of 75,000 shares of Champion Minerals Inc. (formerly Champion Natural Health.com Inc.) and 10,000 shares of Industrial Electric Services Inc., currently owned by him or his registered retirement savings plan, at any time during the term of the order, which trades may otherwise contravene paragraph (b) above;

(d) subject to (b) above, that any exemptions contained in Ontario securities law do not apply to the Respondent for a period of 2 years from the date of the Order; and

(e) that the Respondent will contribute to the Commission's costs of its investigation, in the amount of $10,000.

Dated at Toronto, Ontario this day of March, 2007

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