

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

**-AND-**

**IN THE MATTER OF  
F. DAVID RADLER**

**STATEMENT OF ALLEGATIONS  
OF STAFF OF THE ONTARIO SECURITIES COMMISSION**

Further to a Notice of Hearing dated November 12, 2012, Staff of the Ontario Securities Commission (“Staff”) make the following allegations:

**Original Proceeding**

1. By Notice of Hearing and Statement of Allegations dated March 18, 2005, the Ontario Securities Commission announced that it proposed to hold a hearing to consider whether, pursuant to s. 127 and s. 127.1(1) and (2) of the *Securities Act*, R.S.O. 1990, c. S-5, as amended (the “Securities Act”), it would be in the public interest for the Commission to make certain orders in relation to F. David Radler (“Radler”) and other Respondents, namely, Hollinger Inc., Conrad Black (“Black”), John Boulton and Peter Atkinson (the “Original Proceeding”). The Original Proceeding has been adjourned at the request of certain Respondents to permit the completion of the U.S. Criminal Proceeding (described below) and related appeals, subject to appropriate terms.

2. The present proceeding has been initiated to request an order in the public interest in respect of Radler on the basis of the guilty plea made by Radler in the U.S. Criminal Proceeding and Radler’s settlement in the SEC Proceeding described below. Having regard to the Commission’s authority to make the requested orders in the public interest pursuant to s. 127(10) of the Securities Act, Staff will not continue with the proceeding against Radler set out in the Original Proceeding.

**United States Criminal Proceeding and SEC Proceeding**

3. On November 15, 2004, the United States Securities and Exchange Commission (the “SEC”) launched a complaint against Black, Radler and Hollinger Inc. (the “SEC Complaint”) in the United States District Court for the Northern District of Illinois (the “United States District Court”).

4. On August 18, 2005, a Grand Jury convened in the United States District Court filed an indictment charging Radler, amongst other accused, with seven counts of violating the United States Criminal Code.

5. On September 20, 2005, Radler signed a plea agreement admitting to one count of mail fraud contrary to Title 18, United States Criminal Code, Section 1341. On December 17, 2007, in the United States District Court he was sentenced to, amongst other terms, 29 months of incarceration and a fine of US\$ 250,000.

6. On January 30, 2007, Radler signed a consent to the entry of a final judgment (the “Radler Consent Agreement”) in the SEC Complaint. In the Radler Consent Agreement, Radler neither admitted nor denied the allegations relating to him contained in the SEC Complaint, but consented to a final order in the proceeding. The final order provided, amongst other terms, that Radler would pay disgorgement and a civil penalty, and would be permanently barred from serving as a director or officer of a reporting issuer in the United States. On April 19, 2007, the United States District Court made the order outlined in the Radler Consent Agreement.

**Conduct Contrary to the Public Interest**

7. The facts set out above authorize the Commission to make an Order against Radler pursuant to section 127(10) of the Securities Act.

8. Staff reserves the right to make such other allegations as it may advise and the Commission may permit.

Dated at Toronto this 12th day of November, 2012.