



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor
20 Queen Street West
Toronto ON M5H 3S8

CP 55, 19^e étage
20, rue queen ouest
Toronto ON M5H 3S8

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

-AND-

IN THE MATTER OF PRO-FINANCIAL ASSET MANAGEMENT INC.

**ORDER
Subsections 127(1) and (7)**

WHEREAS on May 17, 2013, the Ontario Securities Commission (the “Commission”) issued a temporary order (the “Temporary Order”) pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) with respect to Pro-Financial Asset Management Inc. (“PFAM”), ordering that:

1. Pursuant to paragraph 1 of subsection 127(1) of the Act that the registration of PFAM as a dealer in the category of exempt market dealer is suspended; and
2. Pursuant to paragraph 1 of subsection 127(1) of the Act that the following terms and conditions apply to the registration of PFAM as an adviser in the category of portfolio manager and to its operation as an investment fund manager:
 - a. PFAM’s activities as a portfolio manager and investment fund manager shall be applied exclusively to the Managed Accounts and to the Pro-Hedge Funds and Pro-Index Funds; and
 - b. PFAM shall not accept any new clients or open any new client accounts of any kind in respect of the Managed Accounts;

3. Pursuant to subsection 127(6) of the Act that the Temporary Order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission;

AND WHEREAS the investigation by Staff of the Commission (“Staff”) is ongoing;

AND WHEREAS on May 28, 2013, Staff filed the affidavit of Michael Denyszyn sworn May 24, 2013 with the Secretary’s office in support of the extension of the Temporary Order;

AND WHEREAS it appears to the Commission that PFAM: (i) is capital deficient contrary to subsection 12.1(2) of NI 31-103; and (ii) there is an ongoing reconciliation being conducted by PFAM for the nine series of PPNs, which process PFAM has advised Staff will be complete on May 31, 2013 or as soon as possible thereafter;

AND WHEREAS Staff has been advised by PFAM’s counsel that PFAM consents to the extension of the Temporary Order;

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

AND WHEREAS by Authorization Order made April 12, 2013, pursuant to subsection 3.5(3) of the Act, the Commission authorized each of Howard I. Wetston, James E. A. Turner, Mary G. Condon, James D. Carnwath, Edward P. Kerwin, Vern Krishna, Alan J. Lenczner, Christopher Portner and C. Wesley M. Scott acting alone, to exercise the powers of the Commission to make Orders under section 127 of the Act;

IT IS ORDERED pursuant to subsection 127(7) of the Act that Temporary Order is extended to June 27, 2013;

