



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
FACTORCORP INC., FACTORCORP FINANCIAL INC., AND
MARK TWERDUN**

**NOTICE OF HEARING
OF STAFF OF THE ONTARIO SECURITIES COMMISSION
(Sections 127 and 127.1)**

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") at the offices of the Commission, 20 Queen Street West, 17th Floor, commencing on June 30, 2009 at 10:00 a.m., or as soon thereafter as the hearing can be held:

AND TAKE NOTICE the purpose of the hearing is to consider whether it is in the public interest for the Commission to make an order that:

- (a) pursuant to clause 2 of subsection 127(1), trading in any securities by Factorcorp Inc. ("FCI"), Factorcorp Financial Inc. ("FFI"), (collectively, the "Companies") and Twerdun cease permanently or for such other period as specified by the Commission;
- (b) pursuant to clause 3 of subsection 127(1), any exemptions contained in Ontario securities law do not apply to the Companies or to Twerdun permanently or for such other period as specified by the Commission;
- (c) pursuant to clause 8 of subsection 127(1), Twerdun be prohibited from becoming or acting as a director or officer of any issuer, registrant, investment fund manager or promoter;
- (d) pursuant to clause 9 of subsection 127(1), Twerdun, pay an administrative penalty of not more than \$1 million for each failure to comply with Ontario securities law to the Commission or to KPMG in its capacity as Trustee ("Trustee") over the estates of the Companies, for allocation to or for the benefit of third parties;

- (e) pursuant to clause 10 of subsection 127(1), Twerdun disgorge to the Commission any amount obtained as a result of non-compliance with Ontario securities law, for allocation, through the Trustee, if appropriate, to or for the benefit of third parties;
- (f) pursuant to clause 6 of subsection 127(1) that Twerdun be reprimanded;
- (g) pursuant to section 127.1, that Twerdun be ordered to pay the costs of the investigation and the costs of or related to the hearing incurred by or on behalf of the Commission;
- (h) pursuant to clause 7 of subsection 127(7), that the temporary order made respectively against Twerdun on July 6, 2007, as amended on July 27, 2007 and October 26, 2007, be extended to the conclusion of the hearing; and
- (i) such other order as the Commission may consider appropriate.

BY REASON OF the allegations set out in the Statement of Allegations of Staff dated May 12, 2009 and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceeding may be represented by counsel if that party attends or submits evidence at the hearing;

AND TAKE FURTHER NOTICE that upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceeding.

DATED at Toronto this 12th day of May, 2009.

“Daisy Aranha”

Per: Secretary to the Commission