



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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

- AND -

**IN THE MATTER OF MEGA-C POWER CORPORATION, RENE PARDO, GARY
USLING, LEWIS TAYLOR SR., LEWIS TAYLOR JR., JARED TAYLOR, COLIN
TAYLOR and 1248136 ONTARIO LIMITED**

**ENDORSEMENT
(Section 127 of the Act)**

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| Hearing: | November 25, 2010 | |
| Decision: | November 30, 2010 | |
| Panel: | James D. Carnwath Kevin J. Kelly | -Commissioner and Chair of the Panel -Commissioner |
| Counsel: | Matthew Britton Alicia Hewitt | -for Staff of the Ontario Securities Commission |
| | Michael Meredith | -for Rene Pardo |
| | Lewis Taylor Sr. | -Self-represented |
| | Lewis Taylor Jr. | -Self-represented |
| | Jared Taylor | -Self-represented |
| | Colin Taylor | -Self-represented |

ENDORSEMENT

[1] Mr. Pardo moves for an adjournment of the sanctions hearing in this matter while he pursues an application made to the Divisional Court for a judicial review of the decision on the merits, which issued on September 7, 2010.

[2] His counsel, Mr. Meredith, fairly concedes that the earliest date he has available is January 28, 2011, but even that date is not certain. This matter has been before the Commission for approximately 5 years. The sanctions hearing is scheduled for December 7th and 8th, 2010, less than two weeks away. If the adjournment is granted, the outcome of the sanctions hearing will be unavailable to the Divisional Court.

[3] Counsel submits that Mr. Pardo has been denied procedural fairness by the failure of the Commission to consider the settlement agreement that he entered into with Staff of the Commission. While it appears to us that the settlement agreement was “considered” by the panel of September 29th, 2009, this is a matter for the Divisional Court.

[4] Counsel further submits that a hearing panel cannot consider a settlement agreement after the start of the hearing on the merits. Subject to any submissions made at the sanctions hearing, this would appear to us to be a correct analysis of Commission practice and procedure absent, of course, total agreement by all the parties before the hearing panel. This also is a matter for the Divisional Court.

[5] We find the motion premature for two reasons:

[6] First, granting the adjournment would place an incomplete record before the Divisional Court. The sanctions, if any, applied to Mr. Pardo would be unknown. The results might be more favourable than the settlement agreement, whose terms are unknown to this Panel. It happens frequently that the Divisional Court returns a matter to a tribunal where the course of the tribunal proceeding has not run. This is particularly pertinent in this matter where the sanction hearing is imminent and its results will be known by January 28th, 2011.

[7] Second, we reject the submission that Mr. Pardo has been denied procedural fairness that brings him within the exception in *Ontario (Liquor Control Board) v. Lifford Wine Agencies* (2005), 76 O.R. (3d) 401 at paragraph 43. The measure of his prejudice must be viewed in the light of prejudice to the Taylor respondents, prejudice to the principle of efficient completion of contested matters and prejudice to the efficient use of tribunal and judicial resources.

[8] We see little or no prejudice to Mr. Pardo in this result. He will be able to make these arguments made before us today before the Divisional Court, the same arguments he proposes to make if the adjournment is granted. The only difference is that the Divisional Court will have a completed record of this proceeding and a potential waste of judicial resources will be avoided.

[9] Mr. Pardo’s motion for an adjournment is denied. The sanctions and costs hearing will proceed as scheduled on December 7th and 8th, 2010.

DATED at Toronto this 30th day of November, 2010.

“James D. Carnwath”

“Kevin J. Kelly”

James D. Carnwath

Kevin J. Kelly