



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
MAJESTIC SUPPLY CO. INC.,
SUNCASTLE DEVELOPMENTS CORPORATION,
HERBERT ADAMS, STEVE BISHOP,
MARY KRICFALUSI, KEVIN LOMAN AND
CBK ENTERPRISES INC.**

**ORDER
(Section 127 of the *Securities Act*)**

WHEREAS:

1. on February 21, 2013, the Ontario Securities Commission ("Commission") issued its Reasons and Decision with respect to the merits (the "Merits Decision"), which found that Kevin Loman ("Loman") and others engaged in conduct in breach of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") (*Re Majestic Supply Co. Inc. et al.* (2013), 36 O.S.C.B. 2104);
2. on November 29, 2013, the Commission issued its Reasons and Decision with respect to sanctions and costs (the "Sanctions Decision") and ordered sanctions and costs against Loman and others (*Re Majestic Supply Co. Inc. et al.* (2013), 36 O.S.C.B. 11642);
3. Loman appealed the Merits Decision and the Sanctions Decision to the Divisional Court of the Ontario Superior Court of Justice (the "Divisional Court");
4. on June 25, 2015, the Divisional Court dismissed the appeal in respect of the Merits Decision but allowed the appeal with respect to certain of the sanctions imposed against Loman, which sanctions were remitted back to the Commission for a fresh determination (*Loman v. Ontario Securities Commission*, 2015 ONSC 4083);

5. on September 15, 2015, the Commission issued a Notice of Hearing notifying that a hearing would proceed at the offices of the Commission on October 30, 2015, or as soon thereafter as the hearing could be held, for a fresh determination of certain sanctions ordered against Loman (the "Hearing");
6. on August 25 and October 5, 2015, the parties exchanged and filed written sanctions submissions in respect of the Hearing;
7. on October 30, 2015, the parties appeared before the Commission, made oral submissions regarding the appropriateness of certain sanctions to be ordered against Loman, took differing views on which of the sanctions were remitted back to the Commission and requested a short adjournment of this matter in order to permit the parties to seek clarification from the Divisional Court;
8. on January 12, 2016, the Divisional Court issued supplementary reasons which enumerated the provisions of the Commission's sanctions order that are remitted for a fresh determination (*Loman v. Ontario Securities Commission*, 2016 ONSC 135) and the parties advised the Commission that they had no further written or oral submissions to make;
9. the Commission has concluded it is in the public interest to make this order;

IT IS HEREBY ORDERED that:

- (a) pursuant to clause 2 of subsection 127(1) of the Act, that Loman shall cease trading in securities for a period of 8 years;
- (b) pursuant to clause 2.1 of subsection 127(1) of the Act, Loman shall be prohibited from acquiring securities for a period of 8 years;
- (c) pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Loman for a period of 8 years;
- (d) pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the Act, Loman is prohibited for a period of 8 years from becoming or acting as an officer or director of any issuer, registrant or investment fund manager, except that Loman may act as a director or officer of an issuer that:
 - i. is wholly owned by one or more of himself or members of his immediate family;

- ii. does not issue or propose to issue securities or exchange contracts to the public; and
 - iii. does not, directly or indirectly, trade in or distribute, advise in respect of trades or distributions of, or promote the purchase or sale of, securities or exchange contracts of any issuer;
- (e) pursuant to clause 8.5 of subsection 127(1) of the Act, Loman is prohibited for a period of 8 years from becoming or acting as a registrant, investment fund manager or as a promoter; and
- (f) pursuant to clause 9 of subsection 127(1) of the Act, Loman shall pay \$60,000 as an administrative penalty, designated for allocation or for use by the Commission in accordance with subsection 3.4(2)(b) of the Act;

DATED at Toronto this 12th day of February, 2016.

"Edward P. Kerwin"

Edward P. Kerwin