



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
RICHVALE RESOURCE CORPORATION, MARVIN WINICK,
HOWARD BLUMENFELD, JOHN COLONNA, PASQUALE SCHIAVONE,
and SHAFI KHAN**

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

WHEREAS on March 19, 2010, the Ontario Securities Commission (the “Commission”) issued a temporary cease trade order pursuant to subsections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) ordering that: (i) all trading in the securities of Richvale Resource Corporation (“Richvale”) shall cease, and (ii) Richvale and its representatives, including Marvin Winick (“Winick”), Howard Blumenfeld (“Blumenfeld”), Pasquale Schiavone (“Schiavone”) and Shafi Khan (“Khan”) cease trading in all securities (the “Temporary Order”);

AND WHEREAS on March 19, 2010, the Commission issued directions under subsection 126(1) of the Act freezing assets in bank accounts in the name of Richvale and Khan;

AND WHEREAS on April 1, 2010, the Commission ordered that the Temporary Order be amended as follows to create the “Amended Temporary Order”:

- (i) the name “PAQUALE SCHIAVONE” in the style of cause was amended to “PASQUALE SCHIAVONE”;
- (ii) paragraph 5 of the Temporary Order was amended to read as follows: Shafi Khan (“Khan”) is acting as a representative of Richvale;

- (iii) paragraph 9(i) was amended to read as follows: trading in securities of Richvale without proper registration or an appropriate exemption from the registration requirements under the Act contrary to section 25 of the Act; and
- (iv) it was further ordered pursuant to clause 2 of subsection 127 (1) of the Act that any exemptions contained in Ontario securities laws in respect of Richvale, Winick, Blumenfeld, Schiavone and Khan are removed;

AND WHEREAS the Amended Temporary Order was extended on April 1, 2010 and June 3, 2010;

AND WHEREAS on November 10, 2010, the Commission issued a Notice of Hearing pursuant to sections 37, 127 and 127.1 of the Act accompanied by a Statement of Allegations, dated November 10, 2010, filed by Staff of the Commission (“Staff”) with respect to Richvale, Winick, Blumenfeld, John Colonna (“Colonna”), Schiavone and Khan;

AND WHEREAS on December 2, 2010, the Amended Temporary Order was extended until the conclusion of the hearing on the merits;

AND WHEREAS on February 28, 2011, the Commission ordered that the hearing on the merits in this matter is scheduled to commence on October 17, 2011, at 10:00 a.m. and continue each day through to October 24, 2011, and from October 26, 2011, each day through to October 31, 2011, or as soon thereafter as may be fixed by the Secretary to the Commission;

AND WHEREAS on September 13, 2011, Staff filed an Amended Statement of Allegations with respect to Richvale, Winick, Blumenfeld, Colonna, Schiavone and Khan;

AND WHEREAS on October 14, 2011, the Commission approved Settlement Agreements entered into by Staff and Colonna, Khan, Winick and Blumenfeld, respectively;

AND WHEREAS on October 14, 2011, the hearing on the merits was adjourned to October 20, 2011, to give Staff an opportunity to prepare materials for a Written Hearing pursuant to Rule 11 of the *Ontario Securities Commission Rules of Procedure* (the “*Rules of Procedure*”) against Schiavone and Richvale (the “Remaining Respondents”);

AND WHEREAS on October 19, 2011, the hearing on the merits, which was to commence October 20, 2011, was adjourned to October 26, 2011;

AND WHEREAS on October 26, 2011, a hearing was held and Staff appeared and requested that the matter continue as a written hearing;

AND WHEREAS the Remaining Respondents did not appear at the hearing on October 26, 2011, but counsel for Schiavone provided his written consent to the continuation of the matter in writing, subject to Schiavone's right to attend and be heard by the Commission;

AND WHEREAS on October 26, 2011, the Commission ordered that this matter would continue as a written hearing pursuant to Rule 11.5 of the Commission's *Rules of Procedure* and that the matter would return before the Commission as an oral hearing on January 12, 2012;

AND WHEREAS a hearing took place and the Commission issued Reasons and Decision in this matter on April 25, 2012, finding that Richvale and Schiavone had breached the Act;

AND WHEREAS a sanctions hearing in respect of the Remaining Respondents was scheduled for June 8, 2012, at 10:00 a.m. (the "Sanctions Hearing");

AND WHEREAS Staff appeared on June 8, 2012, and neither Schiavone nor Richvale appeared, though Schiavone had advised the Registrar of the Commission that he would attend;

AND WHEREAS Staff advised the panel that they had been unable to serve Schiavone with Staff's written materials for the Sanctions Hearing (the "Written Materials") because Schiavone had moved from the address at which Staff had previously served him and Richvale;

AND WHEREAS Staff requested that the matter be adjourned so that Staff could make a further attempt to obtain a current mailing address for Schiavone and deliver the Written Materials to Schiavone and to allow Schiavone to have an opportunity to respond;

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

IT IS ORDERED that the Sanctions Hearing is adjourned to June 22, 2012, at 11:00 a.m.

DATED at Toronto this 8th day of June, 2012.

"Edward P. Kerwin"

Edward P. Kerwin