



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 QUADREXX HEDGE CAPITAL MANAGEMENT LTD.,  
QUADREXX SECURED ASSETS INC., MIKLOS NAGY and TONY SANFELICE**

**ORDER**

**(Pre-hearing conference – Rule 6.7 of the Commission’s *Rules of Procedure*)**

**WHEREAS** on January 31, 2014, the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) accompanied by a Statement of Allegations dated January 30, 2014 with respect to Quadrex Hedge Capital Management Ltd. (“QHCM”), Quadrex Secured Assets Inc. (“QSA”), Miklos Nagy (“Nagy”) and Tony Sanfelice (“Sanfelice”) (collectively, the “Respondents”);

**AND WHEREAS** on February 20, 2014, the Commission ordered the hearing be adjourned to April 17, 2014 at 9:30 a.m. for the purpose of scheduling a date for a confidential pre-hearing conference as may be appropriate;

**AND WHEREAS** on April 17, 2014, Staff, counsel for QHCM, QSA and Nagy and counsel for Sanfelice attended before the Commission;

**AND WHEREAS** on April 17, 2014, the Commission ordered that the hearing be adjourned to a confidential pre-hearing conference to be held on September 5, 2014 at 10:00 a.m.;

**AND WHEREAS** on August 20, 2014, Nagy’s counsel advised the Commission that Nagy was no longer available to attend the pre-hearing conference scheduled for September 5, 2014 as he would be out of the country until September 19, 2014 because of the ailing health of a family member living abroad and that Nagy’s counsel was not available thereafter until the week of October 13, 2014;

**AND WHEREAS** on August 20, 2014, on the consent of the Respondents and Staff, the Commission ordered that the confidential pre-hearing conference scheduled for September 5, 2014 be adjourned to October 15, 2014 at 9:00 a.m.;

**AND WHEREAS** on October 15, 2014, the parties attended a confidential pre-hearing conference in this matter;

**AND WHEREAS** on October 15, 2014, the Commission ordered that the hearing on the merits in this matter shall commence on April 20, 2015 at 10:00 a.m. and shall continue on April 22, 23, 24, 27, 28, 29, 30 and May 1, 4, 6, 7, 8, 11, 12, 13, 14 and 15, 2015 commencing at 10:00 a.m. on each day;

**AND WHEREAS** on October 15, 2014, the Commission ordered this matter be adjourned to a further confidential pre-hearing conference to be held on February 26, 2015 at 10:00 a.m.;

**AND WHEREAS** on December 16, 2014, the Commission ordered that Sean Zaboroski, counsel for QHCM, QSA and Nagy, be granted leave to withdraw as representative for the respondents, QHCM, QSA and Nagy;

**AND WHEREAS** on February 17, 2015, Nagy requested that the confidential pre-hearing conference scheduled for February 26, 2015 be rescheduled for personal reasons;

**AND WHEREAS** on February 24, 2015, the Commission ordered that the confidential pre-hearing conference scheduled for February 26, 2015 be rescheduled to March 24, 2015 at 4:00 p.m.;

**AND WHEREAS** on March 18, 2015, counsel for Nagy retained through the Litigation Assistance Program advised that he was not able to attend the confidential pre-hearing conference scheduled for March 24, 2015 at 4:00 p.m.;

**AND WHEREAS** on March 24, 2015, the Commission ordered that the confidential pre-hearing conference scheduled for March 24, 2015 be rescheduled to April 2, 2015 at 10:00 a.m.;

**AND WHEREAS** on April 2, 2015, the parties attended a confidential pre-hearing conference in this matter and were advised by the Commission that the hearing on the merits will now commence on April 22, 2015 at 10:00 a.m. rather than on April 20, 2015 at 10:00 a.m.;

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

**IT IS ORDERED** that the April 20, 2015 hearing date is vacated; and

**IT IS FURTHER ORDERED** that the hearing on the merits in this matter shall commence on April 22, 2015 and shall continue on April 23, 24, 27, 28, 29, 30 and May 1, 4, 6, 7, 8, 11, 12, 13, 14 and 15, 2015 commencing at 10:00 a.m. on each day;

**DATED** at Toronto this 2<sup>nd</sup> day of April, 2015

*“Christopher Portner”*

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Christopher Portner