



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

22<sup>nd</sup> Floor  
20 Queen Street West  
Toronto ON M5H 3S8

22e 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 -**

**GOLD-QUEST INTERNATIONAL  
and SANDRA GALE<sup>1</sup>**

**ORDER  
(Section 127(1))**

**AND WHEREAS** on March 3, 2009, the Commission issued a Notice of Hearing pursuant to sections 127 and 127.1 of the Act, accompanied by a Statement of Allegations dated March 12, 2009, filed by Staff of the Commission (“Staff”) with respect to Gold-Quest International (“Gold-Quest”), 1725587 Ontario Inc. carrying on business as Health and HarMONEY, the Harmony Club, Donald Iain Buchanan, Lisa Buchanan and Sandra Gale (“Gale”);

**AND WHEREAS** on March 16, 2013, Staff of the Commission filed an Amended Statement of Allegations with respect to Gold-Quest and Gale;

**AND WHEREAS** Gold-Quest is subject to an order dated June 18, 2010 made by the Alberta Securities Commission that imposes sanctions, restrictions or requirements upon it within the meaning of paragraph 4 of subsection 127(10) of the Act;

**AND WHEREAS** Gale entered into an Agreed Statement of Fact dated June 27, 2014 (the “Agreed Statement of Fact”) with Staff in relation to the matters set out in the Statement of Allegations;

---

<sup>1</sup> The Commission issued Reasons and Decision and an Order dated November 26, 2010 imposing sanctions on Iain Buchanan and Lisa Buchanan, each of whom had originally been named as a respondent in a Statement of Allegations dated March 12, 2009. Further, Staff withdrew the allegations against 1725587 Ontario Inc., carrying on business as Health and Harmony, and Harmony Club Inc., each of whom were also originally named as respondents to this matter, in a Notice of Withdrawal dated March 4, 2013.

**AND WHEREAS** the Commission issued an Order dated June 4, 2014 setting out that a sanctions hearing will be scheduled on September 10, 2014 in the event that an Agreed Statement of Fact was entered into by Staff and Gale;

**AND WHEREAS** Staff filed the Agreed Statement of Fact in which Gale admitted to certain acts in contravention of the Act and conduct contrary to the public interest;

**AND WHEREAS** the Commission is satisfied that Gale did not comply with Ontario securities law and acted contrary to the public interest;

**AND WHEREAS** on September 10, 2014 the Commission heard submissions from Gale, through her counsel, and from Staff of the Commission;

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

**IT IS HEREBY ORDERED:**

1. With respect to Gale:

- (a) pursuant to clause 2 of subsection 127(1) of the Act, that trading in any securities by Gale shall cease for a period of 15 years, with the exception that Gale is permitted to trade in securities for the account of a registered retirement savings plan (as defined in the *Income Tax Act*, R.S.C., 1985, c. 1, as amended) (“RRSP”) and/or a tax-free savings account (“TFSA”) in which she has sole legal and beneficial ownership, provided that:
  - (i) the securities are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund that is a reporting issuer;
  - (ii) Gale does not own legally or beneficially (in the aggregate, together with his respective spouse) more than one percent of the

outstanding securities of the class or series of the class in question;  
and

(iii) Gale carries out any permitted trading through a registered dealer and through trading accounts opened in her name or the name of her spouse only (and she must close any trading accounts that are not in her name or the name of her spouse only);

(b) pursuant to clause 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Gale is prohibited for a period of 15 years, except to allow trading in securities permitted by and in accordance with paragraph 1(a) of this Order;

(c) pursuant to clause 3 of subsection 127(1) of the Act, any or all exemptions contained in Ontario securities law do not apply to Gale for a period of 15 years, except to allow trading in securities permitted by and in accordance with paragraph 1(a) of this Order;

(d) pursuant to clause 6 of subsection 127(1) of the Act, Gale is reprimanded;

(e) pursuant to clauses 7, 8.1, and 8.3 of subsection 127(1) of the Act, Gale shall resign all positions she holds as an officer or director of any issuer, of any registrant, or of any investment fund manager; and

(f) pursuant to clauses 8, 8.2, and 8.4 of subsection 127(1) of the Act, Gale is permanently prohibited from becoming or acting as an officer or director of any issuer, of any registrant, or of any investment fund manager.

2. With respect to Gold-Quest:

(a) pursuant to clause 2 of subsection 127(1) of the Act, that trading in any securities of or by Gold-Quest cease permanently;

- (b) pursuant to paragraph 3 of subsection 127(1) of the Act, that any exemptions contained in Ontario securities law do not apply to Gold-Quest permanently.

**DATED** at Toronto this 10<sup>th</sup> day of September, 2014.

*“Alan Lenczner”*

---

Alan J. Lenczner, Q.C.