



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 NORTHERN SECURITIES INC., VICTOR PHILIP ALBOINI,
DOUGLAS MICHAEL CHORNOBOY AND FREDERICK EARL VANCE**

- AND -

**IN THE MATTER OF DECISIONS OF A HEARING PANEL OF THE
INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA DATED
JULY 23, 2012 AND NOVEMBER 10, 2012**

ORDER

(Section 9(2) of the *Securities Act*)

WHEREAS on August 20, 2012, the applicants Northern Securities Inc. (“NSI”), Victor Philip Alboini (“Alboini”), Douglas Michael Chornoboy (“Chornoboy”) and Frederick Earl Vance (“Vance”) (collectively the “Applicants”) filed with the Ontario Securities Commission (the “Commission”) a notice of application (the “Application”), pursuant to section 21.7 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”), for hearing and review of the decision of a hearing panel (the “Hearing Panel”) of the Investment Industry Regulatory Organization of Canada (“IIROC”) dated July 23, 2012 and November 10, 2012;

AND WHEREAS the Hearing and Review was heard over three days on February 14, 15, and 20, 2013, and at the conclusion of the Hearing and Review, the Commission ordered on consent of the parties that pursuant to section 21.7 and subsection 8(4) of the Act, the sanctions and penalties imposed by the IIROC Hearing Panel be stayed until 30 days after the issuance of the decision and reasons for the Hearing and Review or until further order of the Commission;

AND WHEREAS the Commission released its decision and reasons on December 19, 2013, in which, among other matters, it set aside the sanctions and costs imposed on the Applicants by the IIROC Hearing Panel and ordered that the Commission would hold a hearing *de novo* solely on the question of the appropriate sanctions and costs to be imposed on the Applicants based on the findings of the IIROC Hearing Panel other than its finding with respect to one count;

AND WHEREAS the Sanctions and Costs Hearing was held on June 9, 10 and 11, 2014 and upon considering the evidence and the submissions, the Commission issued its reasons and decision on sanctions and costs on September 11, 2014 and ordered that the following sanctions and costs be imposed on Alboini and NSI (the “Sanctions and Costs Order”):

1. With respect to Alboini:
 - (a) Alboini shall pay a fine of \$250,000 to IIROC, such fine to be paid within 30 days;
 - (b) Alboini shall disgorge to IIROC commissions of \$244,985, such amount to be paid within 30 days;
 - (c) Alboini shall be suspended for one year from approval by, or registration with, IIROC in all categories anywhere in the industry, commencing 14 days after the date of the order;
 - (d) Alboini shall be suspended for two years from approval by, or registration with, IIROC as an Ultimate Designated Person anywhere in the industry, commencing 14 days after the date of the order;
 - (e) Alboini is reprimanded; and
 - (f) Alboini shall pay to IIROC costs in the amount of \$62,500, such costs to be paid within 30 days;
2. With respect to NSI:
 - (a) NSI shall pay a fine of \$50,000 to IIROC, such fine to be paid within 30 days;
 - (b) NSI is reprimanded; and
 - (c) NSI shall pay to IIROC costs in the amount of \$10,000;

AND WHEREAS on September 23, 2014, the Commission heard motion for a stay brought by Alboini and NSI (the “Stay Motion”);

AND WHEREAS upon considering the submissions of Alboini on behalf of himself and NSI, counsel for IIROC and Staff of the Commission on the Stay Motion, the Commission is of the opinion that it is in the public interest to make this order;

AND WHEREAS the stay granted below will give Alboini and NSI sufficient time to apply to the Divisional Court for a longer stay pending the outcome of any appeal brought by Alboini and NSI to that Court;

IT IS HEREBY ORDERED THAT:

1. The Sanctions and Costs Order as it pertains to Alboini and NSI is stayed for 90 days from the date of this order and the stay shall terminate immediately thereafter, subject to paragraph 2 below, and subject to any further order of the Commission; and
2. The stay shall terminate on October 11, 2014 (upon the expiry of the 30-day appeal period) if Alboini and NSI have not commenced an appeal pursuant to subsection 9(1) of the Act, subject to any further order of the Commission.

DATED at Toronto this 23rd day of September, 2014.

“James E. A. Turner”

James E. A. Turner