

**IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, C. S-5, AS AMENDED**

-AND-

**IN THE MATTER OF
F. DAVID RADLER**

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Ontario Securities Commission (the “Commission”) will issue a Notice of Hearing to announce that it will hold a hearing to consider whether, pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S-5, as amended (the “Act”), it is in the public interest for the Commission to make an order in respect of F. David Radler (“Radler”).

PART II – JOINT SETTLEMENT RECOMMENDATION

2. A proceeding was commenced by Notice of Hearing dated March 18, 2005 naming Hollinger Inc., Conrad M. Black (“Black”), Radler, Peter Y. Atkinson and John A. Boulton as Respondents (the “Original Proceeding”). Staff agree to withdraw the allegations contained in the Original Proceeding against Radler and to settle the proceeding against Radler commenced by Notice of Hearing dated November 12, 2012 (the “New Proceeding”) according to the terms and conditions set out in Part VI of this Settlement Agreement. Radler agrees to the making of an order in the form attached as Schedule “A” based on the facts set out below.

PART III – AGREED FACTS

3. In the Original Proceeding, the Commission issued a Notice of Hearing pursuant to sections 127 and 127.1 of the Act accompanied by a Statement of Allegations with respect to Hollinger Inc., Black, Radler, John A. Boulton and Peter Y. Atkinson (collectively, the “Respondents”).

4. The Respondents brought a series of motions and requests to adjourn the Original Proceeding (the “Adjournment Requests”) pending the outcome of certain proceedings in the United States which are described further below (the “US Proceedings”).
5. The Respondents tendered undertakings to the Commission in support of the Adjournment Requests which were attached to Orders of the Commission dated March 30, 2006 and April 4, 2007 (the “Current Undertakings”).
6. By Order dated October 7, 2009 the Commission adjourned the hearing of the Original Proceeding *sine die*, pending the outcome of the US Proceedings.
7. Pursuant to section 127(10) of the Act, Staff will tender evidence to the Commission of the new facts outlined below.
8. On November 15, 2004, the United States Securities and Exchange Commission (the “SEC”) launched a complaint against Black, Radler and Hollinger Inc. (the “SEC Complaint”) in the United States District Court for the Northern District of Illinois (the “United States District Court”).
9. On August 18, 2005, a Grand Jury convened in the United States District Court filed an indictment charging Radler, amongst other accused, with seven counts of violating the United States Criminal Code.
10. On September 20, 2005, Radler signed a plea agreement admitting to one count of mail fraud contrary to Title 18, United States Criminal Code, Section 1341. On December 17, 2007, in the United States District Court he was sentenced to, amongst other terms, 29 months of incarceration and a fine of US\$ 250,000.
11. On January 30, 2007, Radler signed a consent to the entry of a final judgment (the “Radler Consent Agreement”) in the SEC Complaint. In the Radler Consent Agreement, Radler neither admitted nor denied the allegations relating to him contained in the SEC Complaint, but consented to a final order in the proceeding. The final order provided, amongst other terms, that Radler would pay disgorgement and a civil penalty, and would be permanently barred from serving as a director or officer of a reporting

issuer in the United States. On April 19, 2007, the United States District Court made the order outlined in the Radler Consent Agreement.

PART IV – TERMS OF SETTLEMENT

12. The New Proceeding will be settled on the terms set out below. Radler agrees to provide the Commission with an undertaking in the form attached to this Settlement Agreement as Schedule “B” (“the New Undertaking”). Staff agree to withdraw the Original Proceeding as against Radler on the date that the Order set out in Schedule “A” to this Settlement Agreement is signed by the Commission.
13. If the Commission makes the Order set out in Schedule “A” to this Settlement Agreement (the “Radler Order”), Radler agrees to waive all rights to a full hearing, judicial review or appeal of the New Proceeding, subject to the terms set out in the New Undertaking.
14. If the Commission makes the Radler Order, neither party will make any public statement that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the settlement hearing.
15. Whether or not the Commission makes the Radler Order, Radler will not use, in any proceeding, this Settlement Agreement or the negotiation or process of approval of this agreement as the basis for any attack on the Commission’s jurisdiction, alleged bias, alleged unfairness, or any other remedies or challenges that may otherwise be available.

PART VIII – DISCLOSURE OF SETTLEMENT AGREEMENT

16. If the Commission does not approve this Settlement Agreement or does not make the Radler Order:
 - i. this Settlement Agreement and all discussions and negotiations between Staff and Radler before the settlement hearing takes place will be without prejudice to Staff and Radler; and

- ii. Staff and Radler will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations in the Original Proceeding or in the New Proceeding. Any proceedings, remedies and challenges will not be affected by this Settlement Agreement, or by any discussions or negotiations relating to this agreement.
17. Both parties will keep the terms of the Settlement Agreement confidential until the Commission approves the Settlement Agreement. At that time, the parties will no longer have to maintain confidentiality. If the Commission does not make the Radler Order, both parties must continue to keep the terms of the Settlement Agreement confidential, unless they agree in writing not to do so or if required by law.

PART IX – EXECUTION OF SETTLEMENT AGREEMENT

18. The parties may sign separate copies of this agreement. Together, these signed copies will form a binding agreement.
19. A fax copy of any signature will be treated as an original signature.

Dated this 13th day of November, 2012

“F David Radler”

F. David Radler

Witness (name not legible)

Dated this 14th day of November, 2012

“Tom Atkinson”

Tom Atkinson
Director, Enforcement Branch