



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor
20 Queen Street West
Toronto ON M5H 3S8

CP 55, 19^e 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

**IN THE MATTER OF PALADIN CAPITAL MARKETS INC. ,
JOHN DAVID CULP, AND CLAUDIO FERNANDO MAYA**

ORDER

Sections 127(1), 127(7) and 127(8)

WHEREAS on June 2, 2009, the Ontario Securities Commission (the "Commission") issued a temporary order (the "Temporary 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:

1. under s. 127(1)1 of the Act, the registration of Paladin Capital Markets Inc. ("Paladin") and John David Culp ("Culp") be suspended;
2. under s. 127(1)2 of the Act, all trading in any securities by the Respondents cease;
3. under s. 127(1)2 of the Act, all trading in securities of Paladin cease; and
4. under s. 127(1)3 of the Act, all exemptions contained in Ontario securities law do not apply to the respondents;

AND WHEREAS on June 2, 2009, the Commission ordered that the Temporary Order shall expire on the 15th day after its making unless extended by order of the Commission;

AND WHEREAS on June 4, 2009 the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on June 15, 2009 at 10:00 a.m;

AND WHEREAS the Commission held a hearing on June 15, 2009 to consider whether to extend the Temporary Order;

AND WHEREAS counsel for staff of the Commission (“Staff”), Claudio Fernando Maya (“Maya”) and Culp, on his own behalf and for Paladin, appeared at the hearing held on June 15, 2009;

AND WHEREAS Culp, on his own behalf and for Paladin, consented to the extension of the Temporary Order to September 30, 2009;

AND WHEREAS Maya consented to the extension of the Temporary Order to September 30, 2009, subject to his right to contest the Temporary Order by hearing on July 2, 2009 at 2:30 p.m.;

AND WHEREAS on July 2, 2009, the Commission heard submissions from Staff and Maya as to the continuation of the Temporary Order against Maya;

AND WHEREAS on July 2, 2009, with reasons issued on July 10, 2009, the Commission was not satisfied that Maya had provided satisfactory information not to extend the temporary order;

AND WHEREAS the Temporary Order was extended on consent of Staff and the respondents on September 29, 2009, November 30, 2009, February 2, 2010 and March 22, 2010, and on June 15, 2010, the Temporary Order was extended on consent of Staff and the respondents to August 6, 2010 and the hearing was adjourned to August 5, 2010 for the purpose of a confidential pre-hearing conference and to consider whether to extend the Temporary Order;

AND WHEREAS Staff filed a Statement of Allegations dated June 9, 2010 and the Commission issued a Notice of Hearing on June 10, 2010 in this matter;

AND WHEREAS on June 10, 2010, the Commission issued a Notice of Hearing for a hearing on July 19, 2010 to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and the respondents, Paladin and Culp;

AND WHEREAS on July 19, 2010, counsel for Staff attended the hearing but neither Paladin nor Culp attended;

AND WHEREAS on July 19, 2010, counsel for Staff advised the Commission that Staff understood that Culp had died on or about July 17, 2010;

AND WHEREAS on July 19, 2010, the Commission ordered at Staff's request that the settlement hearing in respect of Paladin be adjourned to August 5, 2010;

AND WHEREAS on August 3, 2010, Staff filed a Notice of Withdrawal with respect to the allegations against Culp having regard to his death;

AND WHEREAS on August 5, 2010 counsel for Staff attended at the settlement hearing and no one attended for Paladin;

AND WHEREAS on August 5, 2010 the Commission approved the settlement agreement in respect of Paladin;

AND WHEREAS on August 5, 2010 counsel for Staff and counsel for Maya attended in person at the pre-conference hearing held immediately following the settlement hearing;

AND WHEREAS on August 5, 2010 counsel for Maya requested that motion dates be set with respect to a proposed motion to exclude the voluntary interview of Culp from this proceeding;

AND WHEREAS counsel for Staff and counsel for Maya agreed to set motion dates for November 29, 2010 (full day) and November 30, 2010 (half a day);

AND WHEREAS Staff and Maya consented to an extension of the Temporary Order until the close of business on November 30, 2010 with respect to Maya only;

AND WHEREAS on August 5, 2010, the Commission ordered that the Temporary Order be extended until the close of business on November 30, 2010 with respect to Maya only and that the hearing be adjourned to November 29, 2010;

AND WHEREAS on November 23, 2010, Staff agreed to the exclusion of the statement of Culp and accordingly Maya withdrew his motion;

AND WHEREAS on November 23, 2010, Maya and Staff consented to an extension of the Temporary Order until the close of business on December 13, 2010 with respect to Maya only;

AND WHEREAS by order dated November 26, 2010, the Commission extended the Temporary Order until the close of business on December 13, 2010 with respect to Maya only and adjourned the hearing to December 13, 2010 at 10:00 a.m.;

AND WHEREAS on December 13, 2010, Maya and Staff consented to an extension of the Temporary Order until the close of business on January 14, 2011 with respect to Maya only;

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

AND WHEREAS by Order made November 24, 2010, pursuant to subsection 3.5(3) of the Act, each of Howard I. Wetston, James E. A. Turner, Kevin J. Kelly, Carol S. Perry, Patrick J. LeSage, James D. Carnwath and Mary G. Condon, acting alone, is authorized to exercise the powers of the Commission under the Act, subject to subsection 3.5(4) of the Act, including the power to make orders under section 127 of the Act;

IT IS ORDERED:

1. pursuant to subsections 127(7) and 127(8) of the Act, that the Temporary Order is extended until the close of business on January 14, 2011 with respect to Maya only; and
2. that the hearing is adjourned to January 14, 2011 at 11:00 a.m.

Dated at Toronto this 13th day of December 2010.

"Carol S. Perry"
Carol S. Perry