

THE SECURITIES ACT

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Order No. 5582

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Subsections 19(5), 148.1(1), and
148.2

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January 22, 2008

EUSTON CAPITAL CORP.

WHEREAS:

(A) On July 11, 2005, The Manitoba Securities Commission ("Commission") issued a Notice of Hearing ("Notice"), by reason of the allegations set out in the Statement of Allegations of staff of the Commission dated July 11, 2005 ("Statement of Allegations"), subsequently amended on September 19, 2005 ("Amended Statement of Allegations"), giving notice of its intention to hold a hearing to consider, *inter alia*, whether or not it was in the public interest to grant an order pursuant to subsection 19(5) of The Securities Act ("Act") with respect to Euston Capital Corp. ("EUSTON");

(B) After the Amended Statement of Allegations, the Commission issued Order No. 4884 dated September 22, 2005 and Order No. 5013 dated February 23, 2006, the latter of which provided for a denial of exemptions against EUSTON pursuant to subsection 19(5) of the Act until the hearing matter was heard by a panel of the Commission and a decision rendered;

(C) On October 30, 2006 through to November 1, 2006, a hearing was held before a panel of the Commission;

(D) On January 8, 2008, the panel rendered its Decision;

(E) Upon reviewing the evidence and reviewing the submissions by staff counsel and counsel for the respondent, the Commission is of the opinion that it is in the public interest to make this order.

IT IS ORDERED:

1. THAT pursuant to subsection 19(5) of the Act:

(a) subsections 19(1) and 19(3) of the Act do not, with respect to such trades referred to in those sections, apply to EUSTON; and

(b) subsection 19(2) of the Act does not, with respect to such securities referred to in that section, apply to EUSTON,

for a period of 10 years starting from the date of the Decision of the Commission, being January 8, 2008.

2. THAT pursuant to subsection 148.1(1) of the Act, EUSTON pay an administrative penalty of \$15,000.00.

3. THAT pursuant to section 148.2 of the Act, EUSTON pay to Herbert Brock the amount of \$3,000.00.

4. THAT pursuant to section 148.2 of the Act, EUSTON pay to Randy Gelsing the amount of \$6,000.00.

5. THAT pursuant to section 148.2 of the Act, EUSTON pay to Peter Goodwin the amount of \$30,000.00.

6. THAT pursuant to section 148.2 of the Act, EUSTON pay to Ted Korte the amount of \$3,000.00.

7. THAT pursuant to section 148.2 of the Act, EUSTON pay to Ed Toews the amount of \$6,000.00.

8. THAT EUSTON pay to the Commission costs in the amount of \$20,325.56.

BY ORDER OF THE COMMISSION

Director, Legal and Enforcement