

IN THE MATTER OF  
THE *SECURITIES ACT*, RSNS 1989, CHAPTER 418, AS AMENDED (Act)

-and-

IN THE MATTER OF EASTBAY MASTER FUND, LP, and EASTBAY ASSET  
MANAGEMENT, LLC (the Respondents)

**SETTLEMENT AGREEMENT**

**PART I – INTRODUCTION**

1. The parties to this Settlement Agreement are the Respondents, EastBay Master Fund, LP (Master Fund) and EastBay Asset Management, LLC (EastBay), and the Director of Enforcement for the Nova Scotia Securities Commission, Enforcement Branch (the Director).
2. The parties agree that the Nova Scotia Securities Commission (the Commission) has jurisdiction over this matter.
3. The parties agree to recommend to the Commission approval of this Agreement in accordance with the terms and process set out herein.

**PART II – PROCEDURE FOR APPROVAL OF THE AGREEMENT**

4. The Director agrees to request a Notice of Hearing be issued setting down a hearing (Settlement Hearing) wherein the Commission will consider whether it is in the public interest to approve this Agreement and issue an order in the form attached as **Schedule “A”**.
5. The parties agree this Agreement constitutes the entirety of evidence to be submitted to the Commission at the Settlement Hearing.
6. The Director agrees to recommend the allegations acknowledged and admitted by Master Fund and EastBay be resolved and disposed of in accordance with this Agreement.
7. The parties acknowledge this Agreement will become a public document upon its approval by the Commission at the Settlement Hearing.

**PART III – STATEMENT OF AGREED FACTS**

***Acknowledgement***

8. The Director, EastBay, and Master Fund agree with the facts and conclusions set out in this Agreement.

## ***Background***

9. EastBay is an investment manager with a registered office in New York, United States.
10. At all times material hereto, EastBay was the investment manager of Master Fund which also has a registered office in New York, United States.
11. The Respondents have never been registered with the Commission in any capacity and have not engaged in any activities that would require registration with the Commission.
12. Between September 27 and October 26, 2017, Master Fund was a reporting insider of WildBrain Ltd. (formerly DHX Media Ltd.) (WildBrain) due to Master Fund's beneficial ownership of or control or direction over WildBrain securities carrying voting rights.
13. Between February 2018 and June 17, 2020, EastBay was a reporting insider of WildBrain due to its beneficial ownership of or control or direction over WildBrain securities in EastBay's capacity as investment manager of Master Fund, EastBay Focus Fund, LP (Focus Fund), and LMA SPC (LMA – a Cayman Islands segregated portfolio company).
14. Prior to its investment in WildBrain securities, neither EastBay nor Master Fund had significant experience with investments in Canadian reporting issuers and neither EastBay nor Master Fund had been a reporting insider of a Canadian reporting issuer. In particular, the officer of EastBay responsible for securities regulatory compliance had no or limited experience with Canadian securities regulatory reporting requirements.
15. On or about September 14, 2015, the Commission granted exemptive relief to WildBrain pertaining to certain requirements of Multilateral Instrument 62-104 *Take-Over Bids and Issuers Bids* (NI 62-104), NI 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* (NI 62-103), and securities legislation in Canada (the Order). The Commission granted the Order based on representations of fact by WildBrain, including the following:
  - (a) To ensure compliance with Canadian ownership requirements under the Direction to the CRTC (Ineligibility of Non-Canadians), SOR-97-192, made pursuant to the *Broadcasting Act* (Canada) (the Direction), at all material times WildBrain maintained two exchange-listed classes of voting common shares, Common Voting Shares and Variable Voting Shares. The

Common Voting Shares may only be held, beneficially owned or controlled, directly or indirectly, by Canadians (as defined in the Direction). An outstanding Common Voting Share is converted into one Variable Voting Share, automatically and without any further act of WildBrain or the holder, if such Common Voting Share becomes held, beneficially owned or controlled, directly or indirectly, otherwise than by way of security only, by a person who is not a Canadian. The Variable Voting Shares may only be held, beneficially owned or controlled, directly or indirectly, by persons who are not Canadians. An outstanding Variable Voting Share is converted into one Common Voting Share, automatically and without any further act of WildBrain or the holder, if such Variable Voting Share becomes held, beneficially owned or controlled, directly or indirectly, otherwise than by way of security only, by a Canadian.

- (b) Each Common Voting Share confers the right to one vote. Each Variable Voting Share also confers the right to one vote unless: (i) the number of Variable Voting Shares outstanding, as a percentage of the total number of voting shares outstanding of WildBrain, exceeds 33 1/3%, or (ii) the total number of votes cast by or on behalf of holders of Variable Voting Shares at any meeting exceeds 33 1/3% of the total number of votes that may be cast at such meeting. If either of the above noted thresholds is surpassed at any time, the vote attached to each Variable Voting Share automatically decreases proportionately such that: (i) the Variable Voting Shares as a class do not carry more than 33 1/3% of the aggregate votes attached to all outstanding voting shares of WildBrain and (ii) the total number of votes cast by or on behalf of holders of Variable Voting Shares at any meeting does not exceed 33 1/3% of the votes that may be cast at such meeting. Aside from these differences in voting rights, the Variable Voting Shares and Common Voting Shares are similar in all other respects, including the right to receive dividends if any, and the right to receive the property and assets of WildBrain in the event of dissolution, liquidation, or winding up of WildBrain.
- (c) Due to the automatic conversion feature of the Variable Voting Shares and Common Voting Shares, the number of shares outstanding in each class is variable while the aggregate number of shares of both classes remains unchanged, and is subject to the relative interest in and ownership of WildBrain's shares among Canadians and non-Canadians. As a result, a holder of Common Voting Shares or Variable Voting Shares has little certainty from day to day as to the number of shares of that class that are outstanding, the holder's percentage ownership of the class or, for a non-

Canadian holder, the number of votes represented by the Variable Voting Shares held by such holder.

16. The Order allows holders of WildBrain's securities to assess certain obligations with respect to take-over bids, early warning requirements, and alternative monthly reporting for eligible institutional investors on the basis of the number of Common Voting Shares or Variable Voting Shares held relative to the aggregate number of Common Voting Shares or Variable Voting Shares outstanding, rather than with respect to each class separately.
17. Each of EastBay and the Master Fund are non-Canadians within the meaning of such term under the Direction, and therefore any Common Voting Shares of WildBrain acquired by each of them automatically converted to Variable Voting Shares of WildBrain, and as a result, each of EastBay and the Master Fund only held Variable Voting Shares of WildBrain at all material times hereto.
18. The Commission is the principal regulator of WildBrain and has been at all material times hereto.

***Master Fund as a Reporting Insider and Acquiror in 2017***

19. Master Fund became an insider of WildBrain on or about September 27, 2017, and ceased being an insider of WildBrain on October 26, 2017.
20. Between September 27 and October 26, 2017, Master Fund did not file an insider profile on the System for Electronic Disclosure for Insiders (SEDI) or any insider reports with respect to acquisitions and dispositions of WildBrain securities by Master Fund.
21. Between September 27 and October 26, 2017, Master Fund did not file on the System for Electronic Document Analysis and Retrieval (SEDAR) any early warning reports (EWRs) or news releases regarding its acquisitions and dispositions of WildBrain securities. Those acquisitions and dispositions included the following events that triggered EWR requirements:
  - a. On or about September 27, 2017, Master Fund purchased 547,300 WildBrain Common Voting Shares (which automatically converted to Variable Voting Shares), resulting in a holding of 13,564,140 shares, or approximately 10.1% of the aggregate WildBrain Common Voting Shares and Variable Voting Shares then outstanding;

- b. On or about October 20, 2017, Master Fund purchased 2,500,000 WildBrain Common Voting Shares (which automatically converted to Variable Voting Shares), resulting in a holding of 18,271,505 Variable Voting Shares, or approximately 13.6% of the aggregate WildBrain Common Voting Shares and Variable Voting Shares then outstanding; and
  - c. On or about October 25, 2017, Master Fund sold Variable Voting Shares, resulting in a holding of less than 10% of the aggregate WildBrain Common Voting Shares and Variable Voting Shares then outstanding.
22. In December 2017, EastBay became aware through discussions with a compliance consultant that Master Fund may have been subject to insider reporting requirements up until October 26, 2017, and EastBay engaged Canadian securities legal counsel to advise with respect to its obligations.
23. On or about December 21, 2017, Master Fund filed an insider profile on SEDI and insider reports as required by National Instrument 55-102 *System for Electronic Disclosure by Insiders (SEDI)* (NI 55-102), Part 2 and National Instrument 55-104 *Insider Reporting Requirements and Exemptions* (NI 55-104), Part 3. These filings were not on time.
24. On or about December 22, 2017, Master Fund filed on SEDAR an EWR and news release regarding its acquisitions and dispositions of WildBrain securities in 2017. These filings contained the information required by NI 62-104, section 5.2 and NI 62-103, section 3.1. These filings were not on time, and due to an inadvertent failure to consider the automatic conversion to Variable Voting Shares and the effect of the Order, these filings overstate Master Fund's percentage ownership with respect to the EWR requirements.

#### ***Violations of Nova Scotia Securities Laws 2017***

25. By failing to:
- a. File an initial insider report within 10 days of becoming a reporting insider of WildBrain, Master Fund breached section 3.2 of NI 55-104;
  - b. File an amended insider profile within 10 days of ceasing to be an insider of WildBrain, Master Fund breached section 2.1(3)(a) of NI 55-102; and



- c. File an EWR and news release within 1-2 business days of acquiring beneficial ownership of or control or direction over voting or equity securities (or securities convertible into same) constituting 10% or more of outstanding WildBrain voting securities; file an EWR and news release within 1-2 business days of each 2% change in that beneficial ownership, control, or direction; and file an EWR and news release within 1-2 business days of that beneficial ownership, control, or direction decreasing to less than 10%, Master Fund breached sections 5.2(1), (2), and (3) of NI 62-104.

### *EastBay as a Reporting Insider from 2018 to 2019*

26. In or about February 2018, EastBay became a reporting insider of WildBrain due to acquisition of control over WildBrain securities by EastBay in its capacity as investment manager for Master Fund and certain other funds.
  27. From February to December 18, 2018, on the advice of Canadian legal counsel, EastBay relied on Part 9 of NI 62-103 for an exemption to EastBay's insider reporting requirements (the Part 9 Exemption). During this time EastBay made certain filings under the alternative monthly report (AMR) system and continued to work with Canadian legal counsel to gain a clearer understanding of its Canadian reporting, which resulted in additional AMR filings and amended AMR filings which reflected the Order.
  28. On December 18, 2018, EastBay's Chief Investment Officer was appointed as a director of WildBrain, meaning EastBay could no longer rely on the Part 9 Exemption.
  29. On January 11, 2019, Enforcement Staff (Staff) for the Commission wrote to EastBay to inquire about certain equity swap agreements disclosed by EastBay in its AMR filings in 2018. After receiving this letter, on January 31 and February 1, 2019, EastBay attended to corrective filings pursuant to its insider reporting requirements. These filings included the creation of an insider profile for EastBay (per section 2.1 of NI 55-102), an initial report (per section 3.2 of NI 55-104), and other insider reports as required by Part 3 of NI 55-104. Certain of the transactions had been reported by EastBay previously, but erroneously under the personal SEDI profile of its Chief Investment Officer. EastBay's January 31 and February 1, 2019, corrective filings were not on time.
- 

30. On November 15, 2019, Staff again wrote to EastBay to inquire as to whether EastBay had acquired or disposed of any WildBrain securities since February 1, 2019. Following this letter, EastBay again consulted with Canadian legal counsel and determined that it had failed to disclose certain acquisitions and dispositions of Variable Voting Shares, and had failed to understand the Canadian reporting requirements with respect to related financial instruments.
31. On December 6, 2019, EastBay filed insider reports on SEDI regarding 50 acquisitions and dispositions of Variable Voting Shares that took place between February 19, 2019, and November 29, 2019, and its receipt of rights pursuant to WildBrain's October 2019 public rights offering, 4 dispositions of a number of such rights in November, and the expiration of the balance of these rights on November 11, 2019.
32. On December 9 and December 10, 2019, EastBay filed 122 insider and amended insider reports regarding equity swap transactions relating to WildBrain shares. Of the 55 amended reports, 21 related to equity swap transactions that took place between October 20, 2017, and March 1, 2019. The remaining reports reflected opening balances as of the date EastBay ceased reliance on the Part 9 Exemption and equity swap transactions that took place between March 1 and November 20, 2019.
33. None of the corrective filings entered on SEDI on December 6, 9 and 10, 2019, was made on time.

#### ***Violations of Insider Reporting Laws 2018-2019***

34. By not filing an insider profile and insider reports on time (within 10 days of becoming a reporting insider and within 5 days of each change in beneficial ownership, control, direction, interest in, right, or obligation regarding WildBrain securities), EastBay breached NI 55-102, Part 2, and NI 55-104, Part 3.

#### ***EastBay's Early Warning Reporting Requirements in 2018-2019***

35. As an eligible institutional investor, EastBay, upon acquiring in February 2018 sufficient control or direction over WildBrain securities to trigger the EWR requirements set out in section 5.2 of NI 62-104, relied on an exemption to the EWR requirements throughout 2018.
36. Accordingly, per the AMR exemption under Part 4 of NI 62-103, EastBay filed on SEDAR Form 62-103F3 on March 5, 2018, October 10, 2018, and November 27, 2018, to disclose its control or direction over WildBrain securities.

37. On March 5, 2018, Master Fund reported it held as of February 28, 2018, 11,162,510 WildBrain shares, erroneously reported as representing 11.09% of the shares outstanding, when in fact that number represented approximately 8.3% of the aggregate WildBrain Common Voting Shares and Variable Voting Shares then outstanding, calculated in accordance with the Order. At this level of ownership, no AMR would have been required to be filed at that time; however, the March 5 report also did not account for holdings of other funds managed by EastBay.
38. On May 31, 2018, the Common Voting Shares and Variable Voting Shares began trading on the TSX under a single ticker symbol rather than two separate ticker symbols, simplifying reporting of outstanding share numbers and making it easier to track ownership in accordance with the Order.
39. In September 2018, EastBay identified that its holdings of WildBrain shares had changed such that a new AMR filing was likely required, and engaged with Canadian legal counsel with respect to its reporting requirements. In the course of these discussions, EastBay learned the holdings of certain of its other investment funds should have been aggregated with the holdings of the Master Fund for the purposes of EastBay's AMR reporting. On October 10, 2018, EastBay corrected the March 5 filing (1) through a revision to the name of the acquiror (EastBay in its capacity as investment manager instead of Master Fund) and (2) to include Variable Voting Shares held in another fund for which EastBay acted as investment manager. This correction brought the corrected total to 13,742,810 Variable Voting Shares representing 10% of the outstanding Common Voting Shares and Variable Voting Shares as of February 28, 2018.
40. On October 10, 2018, EastBay also reported it had since acquired control or direction over an additional 3,679,061 Variable Voting Shares, resulting in EastBay exercising control or direction over a total of 17,421,871 Variable Voting Shares or 13% of the outstanding Common Voting Shares and Variable Voting Shares, by the end of September 2018.
41. Following the October 10, 2018, AMR filing, EastBay identified an additional investment account it managed that held Variable Voting Shares and should have been aggregated with the other holdings under EastBay's direction and control. On November 27, 2018, EastBay filed a further AMR to amend the information reported on October 10, 2018. The correction noted that as of the end of September 2018, EastBay exercised control or direction over a total of 20,823,719 Variable Voting Shares, representing 15.5% of the outstanding Common Voting Shares and Variable Voting Shares.

42. Between September 30 and December 31, 2018, EastBay, in its capacity as investment manager, acquired control or direction over 3,955,208 additional Variable Voting Shares (representing 2.9% of the shares outstanding). Therefore, at the end of December 2018 EastBay exercised control or direction over a total of 24,778,927 Variable Voting Shares, representing 18.4% of the outstanding Common Voting Shares and Variable Voting Shares.
43. A further AMR in respect of these transactions was due in January 2019 if EastBay wished to continue to rely on the AMR exemption to the EWR requirements. EastBay did not file this AMR on time. Instead, on February 5 and 6, 2019, EastBay issued a news release and filed an EWR regarding its acquisitions of control or direction over WildBrain securities that took place between September 30 and December 31, 2018. These filings were not made on time.
44. Between January 7 and 9, 2019, EastBay acquired control or direction over an additional 233,900 Variable Voting Shares. This acquisition occurred while a trade moratorium was in effect pursuant to section 5.3 of NI 62-104 as the acquisition occurred while EastBay's news release and EWR were outstanding with respect to EastBay's acquisitions of WildBrain securities between September 30 and December 31, 2018.
45. As a result of Common Voting Shares and Variable Voting Shares issued by WildBrain pursuant to WildBrain's public rights offering in November 2019, partially offset by a small acquisition of Variable Voting Shares by EastBay on or about November 29, 2019, EastBay's percentage control or direction over WildBrain securities was reduced by more than 2%, requiring a new news release and EWR under section 5.2 of NI 62-104. EastBay issued a news release and filed an EWR on or about December 6, 2019. These reports were not made on time.

***Violations of Early Warning Reporting and Trade Moratorium Laws 2018-2019***

46. By late-issuing news releases and late-filing EWRs in February and December 2019 (more than 1-2 business days after the triggering change in control or direction over WildBrain securities), EastBay breached section 5.2 of NI 62-104.
47. By acquiring WildBrain securities in January 2019 before filing its outstanding news release and EWR in February 2019, EastBay breached the moratorium provision in section 5.3 of NI 62-104.

**PART IV – STATEMENT OF ALLEGATIONS ACKNOWLEDGED AND ADMITTED BY THE RESPONDENTS**

48. Master Fund and EastBay admit the facts and acknowledge they violated Nova Scotia securities laws as set forth in Part III herein.
49. Master Fund and EastBay acknowledge their actions were contrary to the public interest.

#### **PART V – MITIGATING FACTORS**

50. EastBay and Master Fund acknowledge and accept responsibility for their conduct which is the subject matter of this Agreement.
51. EastBay and Master Fund cooperated fully with the investigation of this matter and responded to requests from Staff in a timely manner.
52. EastBay and Master Fund had no intent to evade compliance with their obligations under Canadian securities laws, and the number of individual violations stem from EastBay and Master Fund's regular volume of trading activity and misapprehensions of the applicable reporting requirements.
53. Due to the variable voting rights attached to the Variable Voting Shares held by EastBay and Master Fund, EastBay and Master Fund's acquisition of Variable Voting Shares as a percentage of the outstanding Common Voting Shares and Variable Voting Shares did not present the risk of creeping take over that the EWR requirements were in part designed to address.
54. After making corrective filings pursuant to its insider reporting and EWR requirements in December 2019, EastBay worked with legal counsel to implement a new compliance program.
55. After implementation of its new compliance program, EastBay filed in a timely manner all reports required in relation to acquisitions and dispositions of WildBrain securities from December 18, 2019, to June 17, 2020, when EastBay ceased to be a reporting insider of WildBrain. Neither EastBay nor Master Fund is currently a reporting insider of WildBrain or any Nova Scotia reporting issuer.

#### **PART VI – TERMS OF SETTLEMENT**

56. The terms of settlement are set forth in this Agreement and in the order contained in **Schedule "A"** to this Agreement, which is expressly incorporated herein.
57. EastBay and Master Fund consent to the order contained in **Schedule "A"**.
58. The terms of settlement as set out in the order contained in **Schedule "A"** are as follows:

- (a) Pursuant to section 134(1)(h) of the Act, EastBay and Master Fund shall be reprimanded;
- (b) Pursuant to section 135 of the Act, EastBay and Master Fund shall forthwith pay, joint and severally, an administrative penalty in the amount of sixty-five thousand dollars (\$65,000); and
- (c) Pursuant to section 135A of the Act, EastBay and Master Fund shall forthwith pay, jointly and severally, costs in the amount of two thousand dollars (\$2,000) in connection with the investigation and conduct of this proceeding.

## PART VII – COMMITMENTS

- 59. If this Agreement is approved and the order as set out in **Schedule “A”** is granted, the parties agree to waive any right to a full hearing and judicial review and appeal of this matter.
- 60. If this Agreement is approved by the Commission, the parties will not in any way make any statement, public or otherwise, that is inconsistent with the terms of this Agreement.
- 61. If this Agreement is approved by the Commission, EastBay and Master Fund agree to abide by all terms of this Agreement.
- 62. If, for any reason whatsoever, this Agreement is not approved, or the order set forth in **Schedule “A”** is not granted by the Commission:
  - (a) The Director, EastBay, and Master Fund will be entitled to proceed to a hearing of the allegations which are the subject matter of this Agreement unaffected by the Agreement or the settlement negotiations;
  - (b) The negotiations that led to this Agreement will not be raised in any other proceeding or disclosed to any person except with the written consent of the Director, EastBay, and Master Fund or as may otherwise be required by law; and
  - (c) EastBay and Master Fund agree they will not raise in any proceeding the Agreement or the negotiations as a basis of any attack or challenge of the Commission’s jurisdiction, alleged bias, appearance of bias, alleged unfairness, or any other challenge that may otherwise be available.
- 63. EastBay and Master Fund acknowledge the Director has the discretion to withdraw from this Agreement if additional facts or issues are discovered that cause her to conclude it would not be in the public interest to request approval of this Agreement. In the event of such withdrawal, notice will be provided in writing and the provisions of paragraph 62 of this Agreement will apply.

**PART VIII – DISCLOSURE OF SETTLEMENT AGREEMENT**

64. The Director, EastBay, or Master Fund may refer to any or all parts of this Agreement as required by the General Rules of Practice and Procedure and in the course of the Settlement Hearing. Otherwise, this Agreement and its terms will be treated as confidential by all parties to it until approved by the Commission, and forever if, for any reason whatsoever, this Agreement is not approved by the Commission.

**PART IX – EXECUTION OF SETTLEMENT AGREEMENT**

65. EastBay and Master Fund acknowledge that orders made by the Commission may form the basis for parallel orders in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions may allow orders made in this matter to take effect in those other jurisdictions automatically without notice to EastBay and Master Fund.

66. This Agreement may be signed in one or more counterparts that together shall constitute a binding agreement and a facsimile or electronic copy of any signature shall be as effective as an original signature. *yes*

DATED at December 22, 2021 ) , this 22<sup>nd</sup> day of December , 2021

SIGNED, SEALED AND DELIVERED )  
in the presence of: )

Witness: Jeff Ho  
CFO

EASTBAY ASSET MANAGEMENT, LLC

Per: Steven M. Landry  
Managing Partner

DATED at December 22, 2021 ) , this 22<sup>nd</sup> day of December , 2021

SIGNED, SEALED AND DELIVERED )  
in the presence of: )

Witness: Jeff Ho  
CFO

EASTBAY MASTER FUND, LP

Per: Steven M Landry  
Managing Partner

DATED at Halifax, Nova Scotia, this 22<sup>nd</sup> day of DECEMBER , 2021

SIGNED, SEALED AND DELIVERED )  
in the presence of: )

  
\_\_\_\_\_  
Witness: Jennie Pick )

  
\_\_\_\_\_  
Stephanie Atkinson )  
Director of Enforcement )  
Nova Scotia Securities Commission )



**SCHEDULE "A"**

IN THE MATTER OF  
THE SECURITIES ACT, RSNS 1989, CHAPTER 418, AS AMENDED (Act)

-and-

IN THE MATTER OF EASTBAY ASSET MANAGEMENT, LLC, and EASTBAY  
MASTER FUND, LP

**ORDER**

(Sections 134, 135, and 135A)

**WHEREAS** on \_\_\_\_\_, 2021, the Nova Scotia Securities Commission (Commission) issued a Notice of Hearing to the Respondents, EastBay Asset Management, LLC, and EastBay Master Fund, LP, pursuant to sections 134, 135, and 135A of the Act;

**AND WHEREAS** the Respondents entered into a Settlement Agreement with the Director of Enforcement for the Commission whereby they agreed to a proposed settlement of the proceeding, subject to the approval of the Commission;

**AND WHEREAS** the Director of Enforcement recommends approval of the Settlement Agreement;

**AND WHEREAS** the Commission determined that the Respondents have contravened Nova Scotia securities laws and it is in the public interest to make this order;

**AND UPON** reviewing the Settlement Agreement and hearing submissions of counsel for the Director of Enforcement and counsel for the Respondents;

**IT IS HEREBY ORDERED** that:

1. The Settlement Agreement dated \_\_\_\_\_, 2021, a copy of which is attached, is approved;
2. Pursuant to section 134(1)(h) of the Act, the Respondents are reprimanded;
3. Pursuant to section 135 of the Act, the Respondents shall forthwith pay, jointly and severally, an administrative penalty in the amount of sixty-five thousand dollars (\$65,000); and
4. Pursuant to section 135A of the Act, the Respondents shall forthwith pay costs in the amount of two thousand dollars (\$2,000) in connection with the investigation and conduct of this proceeding.

