

Alberta Securities Commission (the Commission)

In the Matter of the Securities Act,
R.S.A. 2000, c. S-4 (the Act)

and

In the Matter of Morris Bleviss, Aaron Dagan, Stephen Eyre, Stuart Olley, Andrew Oppenheim
(the Respondents)

and

In the Matter of PsiNaptic Inc.
(the Filer)

MANAGEMENT CEASE TRADE ORDER
(Section 33.1)

Background

1. The Filer has failed to file with the Executive Director of the Commission (the Executive Director) the following periodic disclosure pursuant to section 146 of the Act:

Annual audited financial statements for the year ended September 30, 2007 (the Unfiled Financial Statements).
2. The Filer understands that its default in not filing the Unfiled Financial Statements may cause the Commission to order that all trading in its securities cease but requests instead that the Commission order the cessation of trading in its securities by certain of its insiders.
3. The Filer has represented that:
 - 3.1 The Filer is a reporting issuer under the Act.
 - 3.2 Each of the Respondents is, or was at some time since the most recent date on which the Filer filed financial statements with the Executive Director, a director, officer or insider of the Filer and since that date had, or may have had, access to material undisclosed information with respect to the Filer.
 - 3.3 The Unfiled Financial Statements will be filed on or before March 31, 2008.
 - 3.4 All of the Filer's board of directors is in place.
 - 3.5 The Filer is in the development stage and is actively pursuing the development of its products.

- 3.6 The Filer's securities are listed on a Canadian exchange. The trading in the Filer's shares has been temporarily halted by the TSXV pursuant to TSXV Policy 5.2 *Change of Business and/or Reverse Takeover* as the Filer is pursuing a proposed reverse take-over (the RTO). In keeping with TSXV Policy 5.2, the temporary halt trade will be lifted once the TSXV has received and reviewed the documentation regarding the RTO as required by TSXV Policy 5.2. Prior to the halt there was an active, liquid market for the common shares.
 - 3.7 The Filer is not appearing in default on the reporting issuer list or on the defaulting reporting issuer list of any securities regulatory authority for any reason other than the failure to file the Unfiled Financial Statements.
 - 3.8 The Filer will file on SEDAR and disseminate in the same manner as a news release a notice of default containing the information described in Appendix A of CSA Staff Notice 57-301 *Failure to File Financial Statements on Time - Management Cease Trade Orders* (CSA Staff Notice 57-301) and thereafter file on SEDAR every two weeks a default status report containing the information described in Appendix B of CSA Staff Notice 57-301.
4. Pursuant to subsection 17(2) of the Act, the Executive Director has made an Authorization Order (the Authorization) dated July 19, 2006 authorizing the Management and Accounting Delegates (as defined in the Authorization, who include the undersigned) to grant orders under section 33.1 of the Act.

Decision

5. Based on the foregoing, it is ordered under section 33.1 of the Act that trading by each of the Respondents in securities of the Filer cease until the earliest of:
 - 5.1 two full business days following the date the Filer files with the Executive Director the Unfiled Financial Statements; and
 - 5.2 this order having been revoked or varied as provided below.
6. Pursuant to subsection 17(2) of the Act and the Authorization, any one of the Management and Accounting Delegates is authorized to revoke or vary this order.

Calgary, Alberta, 29 January 2008.

"original signed by"

Agnes Lau, CA

Alberta Securities Commission