

2010 BCSECCOM 235

Temporary Order and Notice of Hearing

Orion Advisory Services, S.A., also known as Orion Advisory Services, and IntelliSource Markets B.V., also known as Intellisource Markets, IS Markets B.V. and IS Markets

Section 161 of the *Securities Act*, RSBC 1996, c. 418

- ¶ 1 The British Columbia Securities Commission (the Commission) will hold a hearing at which the Executive Director will tender evidence, make submissions and apply for orders that Orion Advisory Services, S.A., also known as Orion Advisory Services (collectively, Orion), and IntelliSource Markets B.V., also known as Intellisource Markets, IS Markets B.V. and IS Markets (collectively, IS Markets) cease trading in any securities under section 161(1)(b) of the *Securities Act*, RSBC 1996, c. 418 (the Act), and that Orion and IS Markets be prohibited from engaging in investor relations activities under section 161(1)(d)(v) of the Act, based on the following facts:

Background

1. Orion is a business that purports to provide securities trading services to retail and institutional clients, and claims to specialize in options on precious metals, oil and foreign currency.
2. Orion represents that:
 - (a) It has offices in Cancun, Mexico, Barcelona, Spain and Panama City, Panama; and
 - (b) IS Markets is a financial institution that holds the accounts for Orion's investors, and has an office in Amsterdam, The Netherlands.
3. Neither Orion nor IS Markets is registered as a corporation in British Columbia and neither is registered in any capacity under the Act.

Illegal Trading

4. In or about October, 2008 to March, 2010, representatives of Orion and IS Markets carried out acts and solicitations in furtherance of trading in securities including:
 - (a) contacting nine British Columbia residents (the BC Residents) by telephone and email;

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- (b) soliciting the BC Residents to open trading accounts with IS Markets;
and
 - (c) providing the BC Residents with account opening information.
5. Four of the BC Residents opened trading accounts with IS Markets, and invested a total of approximately USD \$59,600 in gold and Euro options.
 6. In carrying out acts and solicitations in furtherance of trading in securities without being registered, Orion and IS Markets have each contravened section 34(1) of the Act.

Unfair Practice

7. During October and November of 2008, representatives of Orion and IS Markets called one of the BC Residents daily for about three weeks, between 20 and 30 times total, pressuring her to open an account with IS Markets and telling her she would make up to 300% profit. Finally she agreed to open an account with IS Markets in late November 2008.
8. Representatives of Orion and IS Markets called another of the BC Residents approximately 30 times in the summer of 2009, pressuring him to open an account with IS Markets and telling him he would make big returns before he finally opened an account with IS Markets later that summer.
9. By putting unreasonable pressure on a person to purchase, hold, or sell a security, Orion and IS Markets have each engaged in an unfair practice, contrary to section 50(3)(d) of the Act.

Temporary Order

- ¶ 2 The Executive Director considers the length of time to hold a hearing under section 161(1) of the Act could be prejudicial to the public interest and, considering that it would be in the public interest to do so, orders under sections 161(1)(b), 161(1)(d)(v) and 161(2) of the Act (the Temporary Order) that Orion and IS Markets cease trading in any securities and are prohibited from engaging in investor relations activities.
- ¶ 3 A hearing (the Hearing) will be held at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on May 17, 2010 at 10:00 am.
- ¶ 4 At the Hearing, the Executive Director will ask the Commission to grant a final order in the same terms as the Temporary Order.

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- ¶ 5 Orion and IS Markets may be represented by counsel at the Hearing and may make representations and lead evidence. Orion and IS Markets should advise the Commission of their intention to attend by contacting the Secretary to the Commission at PO Box 10142, Pacific Centre, 12th Floor, 701 West Georgia Street, Vancouver, BC, V7Y 1L2, phone: (604) 899-6500; email: commsec@bcsc.bc.ca.
- ¶ 6 Determinations may be made in this matter if Orion and IS Markets or their respective counsel do not appear at the Hearing.
- ¶ 7 May 6, 2010
- Martin Eady
- ¶ 8 Martin Eady
Acting Executive Director