

# 2011 BCSECCOM 270

## Notice of Hearing

### Ajit Singh Basi

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

- ¶ 1 The Commission will hold a hearing (Hearing) at which the Executive Director will tender evidence, make submissions and apply for orders against Ajit Singh Basi under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

#### **Respondent**

1. Ajit Singh Basi (Basi) is a 24-year-old resident of British Columbia.
2. Basi was a registered mutual fund salesperson under the Act from October 6, 2006 to October 1, 2007, and August 25, 2008 to September 29, 2009. Since then, he has not been registered under the Act in any capacity.

#### **Misconduct**

##### ***Fraud***

3. In 2009, Basi met an individual in Alberta (the Investor) through the internet.
4. Basi and the Investor corresponded over a period of several months. Basi led the Investor to believe that he was a stockbroker with a large number of clients throughout North America.
5. On December 22, 2010, Basi advised the Investor that he had an investment opportunity for her. Basi stated that the Investor could purchase shares of a New York Stock Exchange listed company (the Shares) at a discount to the market price.
6. At Basi's instruction, for the purpose of purchasing the Shares, the Investor deposited \$15,500 into Basi's bank account.
7. On the same day, Basi converted \$11,050 of the Investor's money to his personal use, including at least \$3,450 to pay outstanding debts in arrears. Basi did not use any part of the Investor's funds to purchase the Shares, and never made any effort to do so.
8. Also on December 22, 2010, Basi sent the Investor a subscription agreement in respect of her purported investment. The Investor became concerned because the subscription agreement was in respect of an entirely different company.
9. The Investor contacted Basi's bank with her concerns, and the bank returned approximately \$4,450 to her.

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10. Basi subsequently told the Investor that he would return the rest of the money. He did not, and the balance of approximately \$11,050 remains outstanding.
11. By engaging in the conduct described above, Basi perpetrated a fraud on the Investor contrary to section 57(b) of the Act.

### **Public Interest**

- ¶ 2 It is in the public interest that the Commission issue orders under sections 161 and 162 of the Act.

### **Hearing Process**

- ¶ 3 Basi or his counsel is required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on **Tuesday, July 12, 2011 at 9:00 a.m.** if he wishes to be heard before the Commission sets a date for the Hearing. Relevant information gathered by Commission staff in the investigation of this matter will be disclosed to Basi upon his request to the Executive Director.
- ¶ 4 At the Hearing, Basi may be represented by counsel, make submissions and tender evidence. Basi is requested to advise the Commission of his intention to attend the Hearing by informing the Secretary to the Commission at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: commsec@bcsc.bc.ca.
- ¶ 5 If Basi or his counsel does not appear at the Hearing, the Executive Director may apply to have questions of liability and sanction heard at the same time. Determinations adverse to Basi may be made in his absence.

- ¶ 6 June 7, 2011

Paul C. Bourque

- ¶ 7 Paul C. Bourque, Q.C.  
Executive Director