

Citation: 2023 BCSECCOM 529

Temporary Order

**GSPartners, GSB Gold Standard Bank Ltd, GSB Gold Standard Corporation AG,
Swiss Valorem Bank Ltd., Haidy Nitsa Nakos, Tanya Sue Cloete,
and James Bruce Gardiner**

(the Subjects)

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

Temporary Order

- ¶ 1 Commission Staff applied for temporary orders against the Subjects under section 161(2) of the Act.
- ¶ 2 Staff have provided evidence that suggests that:
- (a) GSB Gold Standard Bank Ltd., doing business as GSPartners, (GSPartners) describes itself as a company licensed under the Union of the Comoros, autonomous Island of Moheli and part of the “GSB Group” of companies, which includes:
 - (i) GSB Gold Standard Corporation AG (incorporated in Germany); and
 - (ii) Swiss Valorem Bank Ltd. (purportedly licenced in Kazakhstan).
 - (b) GSPartners promotes and distributes an investment product called “MetaCertificates”.
 - (c) There may be a significant number of MetaCertificate investors in BC.
 - (d) There are different types and “series” of MetaCertificates including:
 - (i) “Elemental Series”, which include the following types: “Terra”, “Light”, “Water”, “Wind” and “Nature”, “Fire”, “Heart”, “Space” and “Prana”;
 - (ii) “Olympus Series”, which include the following types: “Artemis”, “Hermes”, “Aphrodite”, “Apollo”, “Athena”, “Hera”, “Poseidon”, and “Zeus”; and
 - (iii) “Success” series, which includes the following types: “Rise”, “Grow”, “Prosper”, “Flourish”, “Thrive”, “Advance”, “Triumph”, “Epic” and “Victorious”.
 - (e) The various types of MetaCertificates have different prices, payout structures and attributes. In general, GSPartners and its promoters state that MetaCertificates:

- (i) pay a weekly return of 2.5% to 4.15% on the value of the MetaCertificates;
 - (ii) pay a quarterly return up to 18% or more on investments loaded onto the MetaCertificates;
 - (iii) generate returns from trading or through investments in industries including real estate, fintech, renewables, gaming or supplements;
 - (iv) have terms from 18 month to 36 months.
- (f) MetaCertificates are investment contracts and therefore securities under the Act.
- (g) The 2.5% to 4.15% weekly returns and up to 18% quarterly returns are unlikely or impossible to consistently achieve through legal means.
- (h) GSPartners promotes MetaCertificates and other products through a multi-level marketing referral network, which provides commissions to promoters for referee downline purchases.
- (i) Haidy Nitsa Nakos (Nakos), Tanya Sue Cloete (Cloete) and James Bruce Gardiner (Gardiner) are BC residents and GSPartners promoters. Nakos, Cloete and Gardiner have promoted and continue to promote MetaCertificates.
- (j) GSPartners, GSB Gold Standard Bank Ltd, GSB Gold Standard Corporation AG and Swiss Valorem Bank Ltd.:
- (i) are not registered under the Act;
 - (ii) have not filed a preliminary prospectus, prospectus, offering memorandum, or report of exempt distribution under the Act;
 - (iii) are not registered with any other securities regulators in Canada.
- (k) Nakos, Cloete and Gardiner are not registered under the Act or with any other securities regulators in Canada.
- (l) Investors have recently experienced unexpected losses and issues with receiving promised returns.

- ¶ 3 Staff are concerned that the Subjects may have engaged in and may currently be engaged in conduct prohibited by the Act, including:
- (a) GSPartners, GSB Gold Standard Corporation AG and Swiss Valorem Bank Ltd. may have engaged in and may currently be engaged in illegal distribution of securities under section 61; and
 - (b) GSPartners, Nakos, Cloete and Gardiner may have engaged in and may currently be engaged in:
 - (i) illegal trading of securities under section 34(1)(a);
 - (ii) making representations prohibited under section 50(3)(a); and
 - (iii) fraud under section 57.
- ¶ 4 Staff are concerned that the circumstances surrounding the promotion of GSPartners and MetaCertificates show many of the typical indicia of fraud including:
- (a) the promotion of high and consistent investment returns that are unlikely or impossible to achieve through legal means;
 - (b) little mention of specific risks in the materials;
 - (c) secretive and complex strategies and fee structures;
 - (d) complicated jargon, language and new technology that is difficult to understand and is used to project a veneer of expertise and authority;
 - (e) investment in offshore companies;
 - (f) the investment is promoted through multi-level marketing networks;
 - (g) there are indications of unexpected losses and issues with receiving promised returns;
 - (h) promoters of GSPartners are not registered under the Act; and
 - (i) GSPartners, GSB Gold Standard Corporation AG and Swiss Valorem Bank Ltd. are not registered and have not filed a prospectus under the Act.
- ¶ 5 Considering the length of time to hold a hearing under section 161(1) of the Act could be prejudicial to the public interest, under section 161(2), the Executive Director orders (the Temporary Order) that:

- (a) under section 161(1)(b)(i), that all persons cease trading in securities of GSPartners;
- (b) under section 161(1)(d)(v), Nakos, Cloete and Gardiner are prohibited from engaging in promotional activities by or on behalf of GSPartners or on behalf of another person that is reasonably expected to benefit from promotional activity relating to securities of GSPartners;
- (c) under section 161(1)(d)(vi), that GSPartners is prohibited from engaging in promotional activities on GSPartners' own behalf in respect of circumstances that would reasonably be expected to benefit GSPartners; and
- (d) under section 161(1)(e)(i), that the Subjects are prohibited from disseminating to the public, or authorizing the dissemination to the public, of any information or record relating to securities of GSPartners.

until December 1, 2023.

Peter J Brady
11/16/2023 | 7:28 AM PST

¶ 6 Peter J. Brady
Executive Director