

2007 BCSECCOM 310

Order

Syed Kabir

Section 161(6) of the *Securities Act*, RSBC 1996, c. 418

Introduction

- ¶ 1 This is an order made under section 161(6) of the *Securities Act*, RSBC 1996, c. 418.

Background

- ¶ 2 On October 12, 2005, after holding a hearing, the Ontario Securities Commission found that:

1. Andromeda Capital Corporation is an Ontario company that was based and operated in Ontario.
2. Syed Kabir was hired by Joseph Edward Allen as a salesman to assist in the solicitation of potential investors for investment in common shares and warrants of Andromeda.
3. Between September 2002 and June 2003, Kabir assisted Allen in soliciting investors in Ontario and Alberta to invest in Andromeda. The investors solicited were aged 40 to 60 with reported income exceeding \$100,000 and who owned businesses with between 5 and 50 employees.
4. Through their sales efforts, Allen, and Kabir and other salesmen, raised \$1,080,000 from approximately 240 investors by June 2003.
5. Kabir solicited, negotiated and acted in furtherance of trades in Andromeda securities without registration, contrary to section 25(1) of the *Securities Act*, RSO 1990, c. S.5.
6. Kabir distributed the Andromeda securities to investors without a prospectus or filed preliminary prospectus and receipts obtained and without an exemption, contrary to section 53.
7. Kabir acted contrary to the public interest by engaging in the above conduct.

- ¶ 3 On May 10, 2006, after holding a hearing, the OSC rendered a decision on sanctions. In the OSC's reasons for its decision, the OSC considered among other things: Kabir's regulatory and registration history; Kabir's benefit from a commission of 20 percent of his sales of the Andromeda securities; and the

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Alberta Securities Commission's decision in *Re InstaDial Technologies Corp. et al*, 2005 ABASC 965, and the ASC's sanction against Kabir. The OSC ordered, among other things, that Kabir cease trading in securities (with some exceptions) for seven years.

Order

¶ 4 After providing Kabir an opportunity to be heard, and considering public interest, we order under subsection 161(1)(b) of the Act that

1. Kabir cease trading in, and is prohibited from purchasing any securities, until May 9, 2013, except that Kabir may trade in securities in his own account or a registered retirement savings plan or registered retirement income fund of which he is the beneficiary and held with a registered dealer provided that:
 - (a) the securities are listed and posted for trading on the Toronto Stock Exchange or the New York Stock Exchange (or their successor exchanges) or are issued by a mutual fund which is a reporting issuer; and
 - (b) Kabir is not does not own legally or beneficially more than one per cent of the outstanding securities of the class or series of the class in question.and
2. Kabir is prohibited from engaging in investor relations activities until May 9, 2013.

¶ 5 May 30, 2007

¶ 6 **For the Commission**

Brent W. Aitken
Vice Chair

Neil Alexander
Commissioner