

BRITISH COLUMBIA SECURITIES COMMISSION
Securities Act, RSBC 1996, c. 418

Citation: Re Chandran, 2018 BCSECCOM 339

Date: 20181031

Reciprocal Order

Shariff Chandran

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

- [1] This is an order under sections 161(1) and 161(6)(c) of the *Securities Act*, RSBC 1996, c. 418 (the BC Act).
- [2] Section 161(6) facilitates cooperation between the Commission and other securities regulatory authorities, self-regulatory bodies and exchanges. The executive director of the Commission has applied for an order reciprocating in British Columbia certain of the sanctions imposed by the Alberta Securities Commission (ASC) against Shariff Chandran (Chandran) in [*Re Platinum Equities Inc.*](#), 2014 ABASC 376.
- [3] We find that the executive director provided notice of the application to Chandran. Although Chandran was provided the opportunity to tender evidence and make submissions, he did not do so. We find that Chandran was provided with an opportunity to be heard.
- [4] The Commission makes reciprocal orders under section 161(6) when such an order will, in the public interest, protect investors and the capital markets in British Columbia. Although the order in British Columbia is based on findings and sanctions in another jurisdiction, the Commission must be able to regulate a cross-border securities industry with highly mobile funds, people and information.
- [5] Among other things, the ASC found that Chandran was the guiding mind behind a company that raised over \$58,000,000 from investors involving various real estate projects. All but one of the projects failed, most of the investors lost their money and the ASC found that Chandran and the companies he controlled had perpetrated a fraud, misled investors and engaged in illegal trades and distributions. At least one investor from British Columbia made investments through a private British Columbia based subsidiary of the company Chandran used to perpetrate the fraud.
- [6] The ASC orders are effective until the later of (i) September 26, 2039 and (ii) the date on which all monetary orders under sections 199 and 202 of the *Alberta Securities Act* for which Chandran is responsible have been paid in full to the ASC. The executive director has applied to reciprocate the ASC orders in British Columbia until September 26, 2039.
- [7] We find that it is in the public interest to order that:

- (a) under section 161(1)(d)(i) of the Act, Chandran resign any position he holds as a director or officer of an issuer or registrant;
- (b) Chandran is prohibited until September 26, 2039:
 - (i) under sections 161(1)(b)(ii) of the Act, from trading in or purchasing any securities or exchange contracts;
 - (ii) under section 161(1)(c) of the Act, from relying on any of the exemptions set out in this Act, the regulations or a decision;
 - (iii) under section 161(1)(d)(ii) of the Act, from becoming or acting as a director or officer of any issuer or registrant; and
 - (iv) under section 161(1)(d)(iv) of the Act, from acting in a management or consultative capacity in connection with activities in the securities market.

October 31, 2018

For the Commission

Nigel P. Cave
Vice Chair

Judith Downes
Commissioner