



BCSC alleges market manipulation

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Vancouver - The Executive Director of the British Columbia Securities Commission (BCSC) has issued an [amended notice of hearing](#) alleging that Daniel Clozza, Forum National Investments Ltd., Douglas Corrigan, Robert Logan Dunn, and Mosaic Holdings Ltd. participated in a market manipulation. The notice also alleges that Clozza provided false or misleading information to the BCSC.

Forum was incorporated in B.C. and its shares traded on the Over-the-Counter Bulletin Board market in the U.S. Mosaic was a B.C. company. At all relevant times, Clozza was the president and CEO of Forum, as well as a director and shareholder; Corrigan was a broker at the Vancouver branch of a registered investment dealer; and Dunn was Mosaic's sole director and officer, as well as a shareholder of Forum. All three men are B.C. residents.

The notice alleges that in April 2012, Clozza hired a stock promoter to assist him in conducting a market manipulation of Forum shares. As part of the manipulation, the promoter published grossly promotional materials about Forum. Dunn and Mosaic paid the promoter. Clozza also directed Forum to issue false or misleading press releases in conjunction with the publication of the promotional materials.

The notice also alleges that between April 11 and June 28, 2012, Clozza directed trading in at least two nominee accounts through Corrigan, who was the broker for the accounts. Clozza and Corrigan also directed a Forum shareholder to cross trade 560,000 Forum shares through the market, instead of transferring the shares privately.

During the trading period, the trading volume of Forum reached over 400,000 shares traded on seven different days and the share price peaked at \$2.18. In January 2012, prior to the trading period, Forum shares only traded twice, totalling 13,510 shares, with a closing price of \$0.15 after the second trade.

The notice alleges that as officers and directors, Clozza and Dunn are liable for the misconduct of Forum and Mosaic, respectively.

The notice also alleges that Clozza made false or misleading statements to the BCSC in a sworn affidavit. The affidavit was filed in support of revoking a temporary order issued by the BCSC. In the affidavit, Clozza claimed he had nothing to do with the promotion.

These allegations have not been proven. Counsel for the Executive Director will apply to set dates for a hearing into the allegations before a panel of commissioners on August 14, 2018 at 9:00 a.m.

You may view the amended notice of hearing on our website, www.bcsbc.ca, by typing Forum National Investments Ltd., Daniel Clozza, Douglas Corrigan, Robert Logan Dunn, Mosaic Holdings Ltd. or 2018 BCSECCOM 181 in the search box. Information about disciplinary proceedings can be found in the [Enforcement section](#) of the BCSC website.

Please visit the Canadian Securities Administrators' (CSA) [Disciplined List](#) for information relating to persons and companies disciplined by provincial securities regulators, the Investment Industry Regulatory Organization of Canada (IIROC) and the Mutual Fund Dealers Association of Canada (MFDA).

About the British Columbia Securities Commission (www.bcsbc.ca)

The British Columbia Securities Commission is the independent provincial government agency responsible for regulating capital markets in British Columbia through the administration of the *Securities Act*. Our mission is to protect and promote the public interest by fostering:

- A securities market that is fair and warrants public confidence
- A dynamic and competitive securities industry that provides investment opportunities and access to capital

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