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BCSC panel fines and permanently bans five B.C. residents for market manipulation

2015/24
March 18, 2015

Vancouver – A British Columbia Securities Commission panel [has fined](#) five B.C. residents who were found to have perpetrated a market manipulation that led to a misleading appearance of trading activity in, or an artificial price for, shares in a company listed on the TSX Venture Exchange (TSX-V). The panel also permanently banned them from B.C.'s capital markets.

In September 2014, the panel found that between September 2007 and March 2009, Thalbinder Singh Poonian, Shailu Sharon Poonian, Robert Joseph Leyk, Manjit Singh Sihota and Perminder Sihota coordinated their activities for the purpose of manipulating the share price of OSE Corp, an Ontario company whose shares traded on the TSX-V. OSE had its head office at a property owned by Perminder Sihota in Delta, B.C.

In its decision, the panel found that the respondents obtained approximately \$7 million by selling OSE shares to unsuspecting buyers, including clients of Phoenix Credit Risk Management Consulting Inc. (and its affiliates), a company based in Richmond Hill, Ontario, that provided debt management services. Phoenix and its principals were paid commissions ranging from 10% to 28% each time they arranged for a Phoenix client to buy OSE shares.

In its sanctions decision, the panel found that all of the respondents bore responsibility for the manipulation: "While the respondents' roles in conducting the manipulation varied, each respondent was directly involved in and contributed to the manipulation." However, the panel found that Thalbinder Poonian was the "mastermind of the scheme" and that his conduct was "the most egregious".

The panel ordered that the respondents resign any positions held as a director or officer of an issuer or registrant (with limited exceptions), and permanently prohibited them from trading in, or purchasing, securities or exchange contracts. The panel also permanently banned them from becoming or acting as a director or officer of any issuer or registrant (with limited exceptions), becoming or acting as a registrant or promoter, engaging in investor relations activities, and acting in a management or consultative capacity in connection with the securities market.

The panel also ordered that the respondents be jointly and severally liable to pay to the commission \$7,332,936 obtained as a result of their misconduct, as well as a range of administrative penalties that were set according to each respondent's level of involvement (the respondents are not jointly and severally liable for the administrative penalties). The panel ordered that:

- Thalbinder Poonian pay to the commission an administrative penalty of \$10 million;
- Sharon Poonian pay to the commission an administrative penalty of \$3.5 million;
- Robert Leyk pay to the commission an administrative penalty of \$3.5 million;
- Manjit Sihota pay to the commission an administrative penalty of \$3.5 million; and
- Perminder Sihota pay to the commission an administrative penalty of \$1 million.

You may view the sanctions decision on our website www.bcsc.bc.ca by typing Thalbinder Singh Poonian, Shailu Sharon Poonian, Robert Joseph Leyk, Manjit Singh Sihota, Perminder Sihota, or 2015 BCSECCOM 96 in the search box. Information regarding disciplinary proceedings can be found in the Enforcement section of the BCSC website.

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

About the British Columbia Securities Commission (www.bcsc.bc.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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