



Citation: 2015 BCSECCOM 390

Amended Notice of Hearing

**Ayaz Dhanani (also known as Azim Virani, Michael Lee, Alex Nebris,
Paul Dhanani, Samuel Ramos, and Rahim Jiwa)**

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

- ¶ 1 The British Columbia Securities Commission (Commission) will hold a hearing (Hearing) at which the Executive Director will tender evidence, make submissions and apply for orders against Ayaz Dhanani (Dhanani) under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

Background

1. Dhanani is a resident of Vancouver, British Columbia. He has never been registered under the Act.

Misconduct

Investor A

2. Around June 2013, Dhanani presented a former co-worker (Investor A) with an investment opportunity. Dhanani told her that there was a mining company that was about to go public and his family had special access to that company's stock. He told Investor A that the stock price would increase by 50% in a short time period.
3. Investor A gave Dhanani \$13,800 to invest in stock of the mining company. Dhanani and his father deposited this money to an account held by Dhanani's parents. Dhanani took \$6,500 of Investor A's money for himself and his parents used the rest for personal items, such as gas, groceries, cash withdrawals, and paying off the overdraft in the account. After a week, they had spent all of Investor A's money.
4. Shortly thereafter, Dhanani told Investor A that her investment had generated returns. In fact, there was no investment because Dhanani did not use any of Investor A's money to buy stock.
5. Despite repeated promises to repay Investor A, Dhanani has not returned any of her money.



Investor B

6. Around July 2013, Dhanani approached a complete stranger at a bank (Investor B) and pretended his name was “Azim Virani”. He befriended Investor B by telling him that his father owned a hotel in Vancouver and he could get Investor B a job at the hotel. Dhanani then gave Investor B his contact information.
7. Investor B contacted Dhanani about the job and they arranged a meeting. At the meeting, Dhanani told Investor B about an investment opportunity involving a mining company that was about to go public. Dhanani told Investor B that the stock price would increase by 50% in a short time period.
8. Investor B gave Dhanani four bank drafts totaling \$55,000 to invest in stock of the mining company. While posing as “Azim Virani”, Dhanani told Investor B to make the bank drafts payable to “A. Dhanani”, who he said was his business partner.
9. Dhanani and his father deposited Investor B’s money to two separate accounts held by Dhanani’s parents. Dhanani took at least \$17,000 of Investor B’s money for himself. His parents used the rest to cover overdrafts in the accounts and for personal items. After a week, they had spent all of Investor B’s money.
10. Shortly thereafter, Dhanani told Investor B that his investment had generated returns. In fact, there was no investment because Dhanani did not use any of Investor B’s money to buy stock.
11. Dhanani’s father was not in the hotel business and there was no job opportunity for Investor B.
12. Despite repeated promises to repay Investor B, Dhanani has not returned any of his money.

Investor C

13. In the fall of 2014, Dhanani attended a grand opening for a dental office. There, he befriended a man (Investor C) and they exchanged contact information. A few weeks later, Dhanani invited Investor C to dinner.
14. At dinner, Dhanani told Investor C that he had special access to the stock of a mining company that was about to go public. He promised Investor C a return of 20-40% by mid-January 2015.



15. On December 17, 2014, after the Executive Director issued the Notice of Hearing in this matter, Investor C gave Dhanani a bank draft for \$120,000 to invest in stock of the mining company.
16. Dhanani instructed Investor C to make the bank draft payable to his holding company. In fact, the name he provided was that of an individual unknown to Investor C.
17. The bank draft was deposited into the personal bank account of the individual unknown to Investor C.
18. There was no investment because Dhanani did not use any of Investor C's money to buy stock. Investor C had received no return by mid-January 2015.
19. To date, Investor C has not received any of his money back despite repeatedly asking Dhanani for it.

Fraud

20. By engaging in the conduct described in this Amended Notice of Hearing, Dhanani perpetrated a fraud contrary to section 57(b) of the Act.

Hearing Process

- ¶ 2 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia for the Hearing, which has been set for **Monday, December 7, 2015 to Friday, December 11, 2015** and **Monday, December 14, 2014**, beginning each day at 10:00 a.m. Relevant information gathered by Commission Staff in the investigation of this matter will be disclosed to the Respondent upon request to the Executive Director.
- ¶ 3 At the Hearing, the Respondents may be represented by counsel, make submissions and tender evidence. The Respondents are requested to advise the Commission of their intention to attend the Hearing by informing the Secretary to the Commission at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: commsec@bcsc.bc.ca.
- ¶ 4 If the Respondents or their counsel do not appear at the Hearing, the Executive Director will apply to have questions of liability and sanction heard at the same time. Determinations adverse to the Respondents may be made in their absence.
Paul C. Bourque
Oct 22 2015 11:51 AM
- ¶ 5 Paul C. Bourque, Q.C.
Executive Director