



B.C. Securities Commission alleges Vancouver man defrauded two investors

2014/96
December 4, 2014

Vancouver – The Executive Director of the British Columbia Securities Commission [has issued a notice of hearing](#) alleging that a Vancouver man defrauded two investors.

The notice alleges that between June and July 2013, Ayaz Dhanani (a.k.a. Azim Virani) committed fraud against two investors. Dhanani, a Vancouver resident, has a criminal record with convictions for fraud over \$5,000, three counts of fraud under \$5,000, possessing instruments for forging or falsifying credit cards, theft over \$5,000, two counts of breaching a conditional sentence order, and failing to comply with a recognizance. The most recent conviction was in 2012. In April 2014, the Registrar of Mortgage Brokers of British Columbia issued a Cease and Desist Order to Dhanani because he was holding himself out as a mortgage broker without being registered.

BCSC staff contends that around June 2013, Dhanani told a former co-worker about a mining company that was about to go public, and that his family had special access to that company's stock. Dhanani said that the stock price would increase by 50% in a short time period.

Dhanani's former co-worker gave him \$13,800 for the investment, which Dhanani and his father deposited into an account held by Dhanani's parents. Dhanani took \$6,500 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 Dhanani's former co-worker's money and depleted the account.

BCSC staff maintains that approximately one month later, Dhanani approached a complete stranger at a bank and pretended his name was "Azim Virani". Dhanani later told him about an investment opportunity involving a mining company that was about to go public. Again, Dhanani told the investor that the stock price would increase by 50% in a short time period.

The second investor gave Dhanani four bank drafts totaling \$55,000. While posing as "Azim Virani", Dhanani told him to make the bank drafts payable to "A. Dhanani", who he said was his business partner.

Dhanani and his father deposited the investor's money into two separate accounts held by Dhanani's parents. Staff alleges that Dhanani took at least \$17,000 for himself, and that his parents used the rest to cover overdrafts in the accounts and for personal items. After a week, they had spent all of the investor's money and depleted both accounts.

Shortly after they invested, Dhanani told the investors that their investments had generated returns. In fact, there was no investment opportunity, and Dhanani did not use any of the money from either investor to buy stock for them.

Despite several promises to pay them back, Dhanani has not returned any money to either investor.

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 February 3, 2015 at 9:00am.

You may view the notice of hearing on our website, www.bpsc.bc.ca, by typing Ayaz Dhanani, Azim Virani or 2014 BCSECCOM 486 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' 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 of Canada (MFDA).

About the British Columbia Securities Commission (<http://www.bpsc.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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