

BRITISH COLUMBIA SECURITIES COMMISSION
Section 161 of the *Securities Act*, RSBC 1996, c. 418

Citation: Re Gillani, 2020 BCSECCOM 124

Date: 20200428

Reciprocal Order

Nazim Gillani

- [1] This is an order under sections 161(1) and 161(6)(c) of the *Securities Act*, RSBC 1996, c. 418.
- [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 Ontario Securities Commission (OSC) against Nazim Gillani (Gillani) in *International Strategic Investments et al., Re*, 2015 ONSEC 17 (the OSC Decision).
- [3] We find that the executive director provided the respondent notice of the application. Although Gillani was given the opportunity to be heard, Gillani did not provide any response to the application.
- [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 OSC found that Gillani contravened securities law in Ontario by committing unregistered trading, unregistered advising, misrepresentations and fraud and that his conduct was contrary to the public interest and harmful to the integrity of the capital markets. The OSC imposed permanent market bans on Gillani. The executive director has applied to impose permanent market bans against Gillani in British Columbia based on the OSC Decision.
- [6] The Commission has consistently held that fraud is the most egregious conduct in the securities industry. The OSC found Gillani breached fundamental sections of the Ontario Securities Act, and caused significant financial harm to investors. The OSC further characterized Gillani as an opportunist who would likely abuse the capital markets and harm investors in the future unless restrained from doing so. His conduct was intentional, and part of a sophisticated scheme set up to derive personal benefit. Ultimately, Gillani wrongly obtained \$719,000 from investors.

[7] To prevent Gillani from engaging in similar conduct in British Columbia, we find that it is in the public interest to order that:

(a) under section 161(1)(d)(i), Gillani resign any position he holds as a director or officer of an issuer or registrant; and

(b) Gillani is permanently prohibited:

- (i) under section 161(1)(b)(ii), from trading in or purchasing any securities or exchange contracts;
- (ii) under section 161(1)(c), from relying on any of the exemptions set out in this Act, the regulations or a decision;
- (iii) under section 161(1)(d)(ii), from becoming or acting as a director or officer of any issuer or registrant;
- (iv) under section 161(1)(d)(iii), from becoming or acting as a registrant or promoter;
- (v) under section 161(1)(d)(iv), from acting in a management or consultative capacity in connection with activities in the securities market; and
- (vi) under section 161(1)(d)(v), from engaging in investor relations activities.

April 28, 2020

For the Commission

Judith Downes
Commissioner

Deborah Abbey
Commissioner