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British Columbia
Securities Commission

BCSC panel finds that B.C. resident committed fraud on three investors

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Vancouver - A British Columbia Securities Commission (BCSC) panel [has found](#) that Ayaz Dhanani, who went by multiple aliases, perpetrated a fraud on three investors.

The panel found that Dhanani, a B.C. resident, fraudulently raised a total of \$188,800 from three investors in exchange for promises to purchase shares in three resource companies that Dhanani claimed were about to go public. Dhanani promised each investor that their investments would increase significantly in value over a short period of time. No securities were ever purchased with the investors' money.

In its findings, the panel stated that, "the respondent committed the prohibited act of deceit necessary to establish fraud when Dhanani deceived the three investors by taking their funds for the purported stock investments and then not making any investments as promised."

The panel found that the funds raised from two of the investors were taken in cash by Dhanani and his father and the remainder used on personal expenses. Dhanani has not returned any money to these investors.

The panel also found that Dhanani instructed the third investor to make out his bank draft in the amount of \$120,000 to the name of a third party. Dhanani claimed this was so he could avoid paying taxes. The funds were deposited in a bank account in that third party's name, which has been frozen by the Commission under section 155 of the *Securities Act*.

The panel directed the parties to make submissions on sanctions according to the schedule set out in the findings.

You may view the sanctions decision on our website www.bsc.bc.ca by typing Ayaz Dhanani, Azim Virani, Michael Lee, Alex Nebris, Paul Dhanani, Samuel Ramos, Rahim Jiwa, or 2016 BCSECCOM 179 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 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.bsc.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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