



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

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**IN THE MATTER OF THE *SECURITIES ACT*,  
R.S.O. 1990, c. S.5, AS AMENDED**

**- AND -**

**IN THE MATTER OF MBS GROUP (CANADA) LTD., BALBIR AHLUWALIA AND  
MOHINDER AHLUWALIA**

**ORDER**

**(Section 127 of the *Securities Act*; and**

**Rule 6.2(e) of the Commission's *Rules of Procedure* (2010), 33 O.S.C.B. 8017)**

**WHEREAS** on June 30, 2011, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 37, 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") accompanied by a Statement of Allegations dated June 30, 2011, issued by Staff of the Commission ("Staff") with respect to MBS Group (Canada) Ltd. ("MBS Group"), Mohinder Ahluwalia ("Mohinder") and Balbir Ahluwalia ("Balbir") (collectively, the "Respondents");

**AND WHEREAS** On July 21, 2011, Staff attended before the Commission and no one appeared on behalf of the Respondents, and the Commission ordered that the hearing be adjourned to August 17, 2011;

**AND WHEREAS** by Notice of Motion dated August 5, 2011, Staff brought a motion for a temporary order on notice to the Respondents;

**AND WHEREAS** on August 17, 2011, Staff, Balbir and Mohinder attended before the Commission and Balbir and Mohinder consented to the making of a temporary order;

**AND WHEREAS** on August 17, 2011, the Commission made a temporary order pursuant to subsections 127(1) and 127(5) of the Act, which ordered that: (i) pursuant to clause 2 of subsection 127(1) of the Act, that MBS Group, Mohinder and Balbir cease trading in all securities, with the exception that Mohinder and Balbir are permitted to trade securities in mutual

funds that are reporting issuers through a registered dealer (to whom a copy of this order is delivered in advance of any such trading) and for the account only of their own respective registered retirement savings plans (as defined in the *Income Tax Act* (Canada)); and (ii) pursuant to clause 3 of subsection 127(1) of the Act, that any exemptions contained in Ontario securities law do not apply to MBS Group, Mohinder or Balbir (the "Temporary Order");

**AND WHEREAS** the Commission ordered that the Temporary Order take effect immediately and expire on September 2, 2011, unless extended by order of the Commission, and that a hearing to consider an extension of the Temporary Order be scheduled for September 1, 2011;

**AND WHEREAS** Staff and the Respondents attended before the Commission on September 1, 2011 and November 29, 2011 to consider the temporary order;

**AND WHEREAS** on September 1, 2011, the Commission extended the Temporary Order until December 2, 2011, with the exception that Mohinder may direct Mackie Research Capital Corporation to sell securities held in his accounts with them as of September 1, 2011 in order to liquidate those accounts;

**AND WHEREAS** on November 29, 2011, the Commission ordered that the Temporary Order be extended until the conclusion of the hearing on the merits with the exception that Balbir and Mohinder are, individually, permitted to trade for their own account, solely through a registered dealer or, as appropriate, a registered dealer in a foreign jurisdiction (which dealer must be given a copy of this Order) in (a) any "exchange-traded security" or "foreign exchange-traded security" within the meaning of National Instrument 21-101 provided that they do not own beneficially or exercise control or direction over more than 5 percent of the voting or equity securities of the issuer(s) of any such securities; or (b) any security issued by a mutual fund that is a reporting issuer;

**AND WHEREAS** on November 29, 2011, the Commission ordered that a prehearing conference be scheduled for January 13, 2012;

**AND WHEREAS** Staff, Balbir and Mohinder attended before the Commission for a continuing pre-hearing conference on January 13, 2012, August 27, 2012 and September 17, 2012;

**AND WHEREAS** on January 13, 2012, the Commission ordered that the hearing on the merits commence on October 22, 2012 at 10:00 a.m. and continue on October 24, 25, 26, 29, 30 and November 1, 2, 3 and 5, 2012, or such further or other dates as may be agreed to by the parties and fixed by the Office of the Secretary;

**AND WHEREAS** on September 17, 2012, Staff and Mohinder presented an agreed statement of facts to the Commission;

**AND WHEREAS** Mohinder acknowledged in the agreed statement of facts that he breached subsections 25(1) and 53(1) of the Act as alleged in Staff's Statement of Allegations dated June 30, 2011;

**AND WHEREAS** on the basis of the agreed statement of facts and Mohinder's admissions contained therein, Staff and Mohinder jointly requested that Mohinder be severed from this proceeding and that a separate sanctions hearing be scheduled to determine whether it is in the public interest for the Commission to make certain orders against Mohinder;

**AND WHEREAS** it is the opinion of the Commission that it is in the public interest to make this order;

**IT IS HEREBY ORDERED** that:

1. Mohinder is severed from this proceeding;
2. a hearing to consider whether it is in the public interest for the Commission to make certain orders against Mohinder, on the basis of the agreed statement of facts filed with the Commission, will commence on November 29, 2012 at 10:00 a.m. at the offices of the Commission and continue on November 30, 2012; and
3. the Temporary Order in respect of Mohinder is extended until the Commission releases its decision on sanctions and costs with respect to Mohinder.

Dated at Toronto this 10<sup>th</sup> day of October, 2012.

*"James E. A. Turner"*

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James E. A. Turner