



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
AJIT SINGH BASI**

**STATEMENT OF ALLEGATIONS
OF STAFF OF THE ONTARIO SECURITIES COMMISSION**

Staff of the Ontario Securities Commission (“Staff”) allege:

I. OVERVIEW

1. Ajit Singh Basi (“Basi”) is subject to an order made by the British Columbia Securities Commission (“BCSC”) dated December 22, 2011 (the “BCSC Order”) that imposes sanctions, conditions, restrictions or requirements upon him.
2. In its findings on liability dated December 22, 2011 (the “Findings”), a panel of the BCSC (the “BCSC Panel”) found that Basi perpetrated a fraud.
3. Staff are seeking an inter-jurisdictional enforcement order reciprocating the BCSC Order, pursuant to paragraph 4 of subsection 127(10) of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”).
4. The conduct for which Basi was sanctioned took place from 2009 through December 2010 (the “Material Time”).
5. During the Material Time, Basi was a resident of British Columbia.

II. THE BCSC PROCEEDINGS

The BCSC Findings

6. In its Findings, the BCSC Panel found the following:
 - a. Basi perpetrated a fraud, contrary to section 57(b) of the British Columbia *Securities Act*, R.S.B.C. 1996, c. 418 (the “BC Act”).

The BCSC Order

7. The BCSC Order imposed the following sanctions, conditions, restrictions or requirements upon Basi:
 - a. pursuant to subsection 161(1)(b) of the BC Act, that Basi cease trading permanently, and is permanently prohibited from purchasing, securities or exchange contracts;
 - b. pursuant to subsections 161(1)(d)(i) and (ii) of the BC Act, that Basi resign any position he holds as, and is permanently prohibited from becoming or acting as, a director or officer of any issuer, registrant, or investment fund manager;
 - c. pursuant to subsection 161(1)(d)(iii) of the BC Act, that Basi is permanently prohibited from becoming or acting as a registrant, investment fund manager or promoter;
 - d. pursuant subsection 161(1)(d)(iv) of the BC Act, that Basi is permanently prohibited from acting in a management or consultative capacity in connection with activities in the securities market;
 - e. pursuant to subsection 161(1)(d)(v) of the BC Act, that Basi is permanently prohibited from engaging in investor relations activities;

- f. pursuant to subsection 161(1)(g) of the BC Act, that Basi pay to the Commission the funds he obtained as a result of his contraventions of the Act, which the BCSC Panel found to be not less than \$11,055; and
- g. pursuant to section 162 of the BC Act, that Basi pay an administrative penalty of \$100,000.

III. JURISDICTION OF THE ONTARIO SECURITIES COMMISSION

- 8. Basi is subject to an order of the BCSC imposing sanctions, conditions, restrictions or requirements on him.
- 9. Pursuant to paragraph 4 of subsection 127(10) of the Act, an order made by a securities regulatory authority, derivatives regulatory authority or financial regulatory authority, in any jurisdiction, that imposes sanctions, conditions, restrictions or requirements may form the basis for an order in the public interest made under subsection 127(1) of the Act.
- 10. Staff allege that it is in the public interest to make an order against Basi.
- 11. Staff reserve the right to amend these allegations and to make such further and other allegations as Staff deem fit and the Commission may permit.
- 12. Staff request that this application be heard by way of a written hearing pursuant to Rules 2.6 and 11 of the Ontario Securities Commission's *Rules of Procedure*.

DATED at Toronto, this 24th day of June, 2013.