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Canadian Investment
Regulatory
Organization

Organisme canadien
de réglementation
des investissements

**IN THE MATTER OF
THE INVESTMENT DEALER AND PARTIALLY CONSOLIDATED RULES
AND
MILAN SHARMA**

NOTICE OF HEARING

An initial appearance will be held before a hearing panel of the Canadian Investment Regulatory Organization (“CIRO”) pursuant to Rule 8200 of the Investment Dealer and Partially Consolidated Rules (the “Investment Dealer Rules”) to schedule a hearing in the matter of Milan Sharma (the “Respondent”). The initial appearance and the hearing will be subject to Investment Dealer Rule 8400, as further referenced below, that governs the conduct of enforcement proceedings.

The initial appearance will be held by way of videoconference on Friday, June 12, 2026 at 9:30 a.m. ET

The purpose of the hearing will be to determine whether the Respondent has contravened CIRO requirements. The alleged contraventions are contained in the attached Statement of Allegations.

If the hearing panel finds that the Respondent contravened CIRO requirements alleged in the Statement of Allegations, the hearing panel may impose one or more of the following sanctions pursuant to section 8210 of the Investment Dealer Rules:

- (i) a reprimand,
- (ii) disgorgement of any amount obtained, including any loss avoided, directly or indirectly, as a result of the contravention,
- (iii) a fine not exceeding the greater of:
 - (a) \$5,000,000 for each contravention, and
 - (b) an amount equal to three times the profit made or loss avoided by the person, directly or indirectly, as a result of the contravention.
- (iv) suspension of the person’s approval or any right or privilege associated with such approval, including access to a Marketplace, for any period of time and on any terms and conditions,
- (v) imposition of any terms or conditions on the person’s continued approval or continued access to a Marketplace,

- (vi) prohibition of approval in any capacity, for any period of time, including access to a Marketplace,
- (vii) revocation of approval,
- (viii) a permanent bar to approval in any capacity or to access to a Marketplace,
- (ix) permanent bar to employment in any capacity by a Regulated Person
- (x) any other sanction determined to be appropriate under the circumstances.

In addition, pursuant to section 8214 of the Investment Dealer Rules, a hearing panel may order the Respondent to pay any costs incurred by or on behalf of CIRO in connection with the hearing and any investigation related to the hearing.

The Respondent must serve a response to this Notice of Hearing in accordance with section 8415 within 30 days from the effective date of service of this Notice of Hearing. If the Respondent does not file a response in accordance with subsection 8415(1), the hearing panel may proceed with the hearing on its merits on the date of the initial appearance, without further notice to and in the absence of the Respondent, and the hearing panel may accept as proven the facts and contraventions alleged in the Statement of Allegations and may impose sanctions and costs.

If the Respondent files a response in accordance with subsection 8415(1), the initial appearance will be immediately followed by an initial prehearing conference, for which a prehearing conference form must be filed in accordance with subsection 8416(5).

The Respondent is entitled to attend the hearing and to be heard, to be represented by counsel or by an agent, to call, examine and cross-examine witnesses, and to make submissions to the hearing panel at the hearing.

DATED April 2, 2026.

“National Hearing Officer”
NATIONAL HEARING OFFICER
Canadian Investment Regulatory Organization
40 Temperance Street, Suite 2600
Toronto, Ontario, M5H 0B4



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**IN THE MATTER OF
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MEMBER RULES
AND
MILAN SHARMA**

STATEMENT OF ALLEGATIONS

Further to a Notice of Hearing dated April 2, 2026, Enforcement Staff make the following allegations:

PART I – REQUIREMENTS CONTRAVENED

Contravention

Between May 2021 and April 2023, Milan Sharma (the Respondent) failed to act as gatekeeper in relation to the trading activity in Over-the-Counter (OTC) securities by some of his clients, contrary to Investment Dealer Rule 1400.

PART II – RELEVANT FACTS AND CONCLUSIONS

Overview

1. During the Relevant Period, the Respondent opened accounts for client SM as well as 18 other clients, which were ultimately referred to him by SM.
2. The account opening documentation for these 19 clients provided for long term investment objectives.
3. Notwithstanding the foregoing, the main purpose of these accounts for the relevant period, was to deposit and sell OTC securities.
4. While the Respondent had minimal knowledge of and experience in OTC securities, he did not question the trading pattern of these clients who repeatedly transferred-

in OTC securities, liquidated large amounts of the securities and withdrew the proceeds of these sales.

5. Significant risks are associated with trading OTC securities: OTC issuers are not required to provide much financial information. OTC securities are generally illiquid and volatile and are frequent targets of alleged market manipulation and fraud.

Background

6. The Respondent has been a Registered Representative with the Canadian Investment Regulatory Organization (CIRO) and its predecessors since September 2019. He was then with BMO Nesbitt Burns Inc. (BMO).
7. Since July 2023, the Respondent is no longer registered with any CIRO dealer member.

Relevant facts

Client SM

8. SM opened accounts with the Respondent on or about May 6, 2021.
9. Pursuant to the account agreement, SM was self-employed, his investment objective was “growth” and the intended use of the account was “long term investment”, with an investment horizon of “5 to less than 10 yrs”. His investment knowledge was listed as “good”.
10. SM’s stated total annual income was then \$392,000, with liquid assets and net fixed assets estimated at \$500,000 and \$30,000,000 respectively.
11. In this account agreement, SM represented he was “not an insider, director or senior officer of a publicly traded (exchange or over-the-counter) company (...)”, even though he was the acting Secretary of OTC issuer GEGR until June 1, 2021.
12. SM transferred the following OTC shares in his BMO account:

Date (yyyy-dd-mm)	Symbol	Volume of shares
2021-26-05	GEGR	1,000,000
2021-17-09	GEGR	5,000,000
2021-31-08	CEOS	4,000,000
2021-13-10	MGON	5,000,000

SM also purchased 1,200 GEGR shares on or about December 20, 2021.

13. Between June 2021 and November 2022, SM sold the above-mentioned positions in GEGR, CEOS and MGON.
14. Between September 2021 and November 2022, SM made 23 withdrawals from his BMO account totaling \$507,111 CAD and \$280,000 USD, respectively.

Client AR

15. AR opened accounts with the Respondent on or about May 6, 2021. AR was referred to the Respondent by SM.
16. Pursuant to the account agreement, AR was self-employed, his investment objective was “growth” and the intended use of the account was “long term investment”, with an investment horizon of “10 yrs and more”. His investment knowledge was listed as “limited”.
17. AR’s stated total annual income was then \$200,000, with liquid assets and net fixed assets estimated at \$100,000 and \$800,000 respectively.
18. AR transferred 40,000,000 HMNU shares in his BMO account on May 18, 2025.
19. According to the Respondent, client SM was a consultant to HMNU. Also, SM’s company (client M. Co) was a subsidiary of HMNU as at December 2020.
20. Between May 25, 2021 and January 22, 2022, AR sold 11,630,341 shares of HMNU.

21. Between July 2021 and April 2022, AR made 4 withdrawals from his BMO account totaling \$283,964 CAD.

Client VD

22. VD opened accounts with the Respondent on or about May 6, 2021. VD was referred to the Respondent by SM. She was the spouse of client AR.
23. Pursuant to the account agreement, VD was not employed, her investment objective was “growth” and the intended use of the account was “long term investment”, with an investment horizon of “10 yrs and more”. Her investment knowledge was listed as “limited”.
24. VD’s stated total annual income was then \$0, with liquid assets and net fixed assets estimated at \$150,000 and \$800,000 respectively.
25. VD transferred 38,000,000 HMNU shares in her BMO account on May 26, 2021.
26. Between June 7, 2021 and January 1st, 2022, VD sold 8,556,551 shares of HMNU.
27. On August 10, 2021 and April 18, 2022, VD withdrew \$50,000 USD and \$58,500 CAD from her BMO account.

Client MR

28. MR opened accounts with the Respondent on or about May 21, 2021. MR was referred to the Respondent by SM. He is related to client AR.
29. Pursuant to the account agreement, MR was employed in the construction sector, his investment objective was “growth” and the intended use of the account was “long term investment”, with an investment horizon of “5 to less than 10 yrs”. His investment knowledge was listed as “limited”.

30. MR's stated total annual income was then \$80,000, with liquid assets and net fixed assets estimated at \$50,000 and \$100,000 respectively.
31. MR transferred 42,000,000 HMNU shares in his BMO account on May 28, 2021.
32. Between June 4, 2021 and January 11, 2022, MR sold 13,081,897 shares of HMNU.
33. Between July 2021 and April 2022, MR's withdrawals from his BMO account totaled \$200,000 CAD and \$105,000 USD, respectively.

Client RR

34. RR opened accounts with the Respondent on or about May 21, 2021. MR was referred to the Respondent by SM. She is related to client AR.
35. Pursuant to the account agreement, RR was employed as a real estate manager, her investment objective was "growth" and the intended use of the account was "long term investment", with an investment horizon of "10 yrs and more". Her investment knowledge was listed as "limited".
36. RR's stated total annual income was then \$100,000, with liquid assets and net fixed assets estimated at \$50,000 and \$50,000 respectively.
37. RR transferred 45,000,000 HMNU shares in her BMO account on May 28, 2021.
38. Between June 14, 2021 and January 7, 2022, RR sold 12,830,409 shares of HMNU.
39. Between August 2021 and April 2022, RR's withdrawals from her BMO account totaled \$145,000 CAD and \$80,000 USD, respectively.

Client M. Co

40. M. Co was client SM's personal holding company.
41. M. Co opened an account with the Respondent on or about June 4, 2021.

42. Pursuant to the account agreement, M. Co's investment objective was "growth" and the intended use of the account was "long term investment", with an investment horizon of "5 to 10 yrs". Its investment knowledge was listed as "good".
43. M. Co's stated total annual income was then \$200,000, with liquid assets and net fixed assets estimated at \$180,000 and \$380,000 respectively.
44. M. Co transferred 2,000,000 GEGR shares in its BMO account on October 4, 2021.
45. Between March 7, 2022 and January 3, 2023, M. Co sold these 2,000,000 shares of GEGR.
46. Between March 2022 and January 2023, M. Co's withdrawals from its BMO account totaled \$12,000 CAD and \$72,619 USD, respectively.

Client BL

47. BL opened accounts with the Respondent on or about July 30, 2021. BL was referred to the Respondent by SM.
48. Pursuant to the account agreement, BL was employed as a consultant, his investment objective was "growth" and the intended use of the account was "long term investment", with an investment horizon of "10 yrs and more". His investment knowledge was listed as "good".
49. BL's stated total annual income was then \$250,000, with liquid assets and net fixed assets estimated at \$1,000,000 and \$5,000,000 respectively.
50. On August 9, 2021 and on March 15, 2022, BL transferred 166,000 and 250,000 GEGR shares in his BMO account, respectively.
51. Between June and July 2022, BL sold 241,000 shares of GEGR.

Client DC

52. DC, an Italian citizen, opened an account with the Respondent on or about January 10, 2022. DC was referred to the Respondent by SM.
53. Pursuant to the account agreement, DC was self-employed, his investment objective was “aggressive growth” and the intended use of the account was “long term investment”, with an investment horizon of “10+ yrs”. His investment knowledge was listed as “good”.
54. One of the listed reasons for the opening of this account by a non-resident was “stability of investing in Canada & USA markets”.
55. DC’s stated total annual income was then \$100,000, with liquid assets and net fixed assets estimated at \$500,000 and \$1,500,000 respectively.
56. DC transferred 410,000 GEGR shares in his BMO account on March 7, 2022.
57. Between March 11, 2022 and July 20, 2022, DC sold 310,000 shares of GEGR.
58. On September 1, 2022, DC withdrew \$12,000 USD from his BMO account.

Client PT Ltd.

59. PT Ltd. opened an account with the Respondent on or about February 1st, 2022. PT Ltd. was referred to the Respondent by SM.
60. PT Ltd. was incorporated in the UK, his unique shareholder was WH, a Colombian resident and one of its director was SM2. SM2 is related to client SM.
61. Pursuant to the account agreement, PT Ltd.’s investment objective was “growth” and the intended use of the account was “long term investment”, with an investment horizon of “5-10 years”. Its investment knowledge was listed as “good”.

62. PT Ltd.'s stated total annual income was then \$4,000,000, with liquid assets and net fixed assets estimated at \$37,000,000 and \$10,000,000 respectively.
63. PT Ltd. transferred the following OTC shares in its BMO account:

Date (yyyy-dd-mm)	Symbol	Volume of shares
2022-08-02	CEOS	9,400,000
2022-29-04	CEOS	5,700,000
2022-05-10	GEGR	8,844,662
2022-28-04	HMNU	43,000,000
2022-21-09	HMNU	20,000,000
TOTAL		86,944,662

64. Between February 2022 and March 2023, PT Ltd. sold 8,527,391 shares of CEOS, 2,231,205 shares of GEGR and 59,469,428 shares of HMNU.
65. Between March 2022 and March 2023, PT Ltd. withdrew a total of \$640,000 USD from its BMO account.

Client RO Jr

66. RO Jr opened accounts with the Respondent on or about April 22, 2022. RO Jr was referred to the Respondent by SM.
67. Pursuant to the account agreement, RO Jr was employed as a sales consultant, his investment objective was "aggressive growth" and the intended use of the account was "long term investment", with an investment horizon of "10+ years". His investment knowledge was listed as "good".
68. RO Jr's stated total annual income was then \$100,000, with liquid assets and net fixed assets estimated at \$1,000,000 and \$0 respectively.

69. RO Jr transferred the following OTC shares in his BMO account:

Date (yyyy-dd-mm)	Symbol	Volume of shares
2022-03-06	CEOS	7,500,000
2022-30-06	AABB	20,000,000
2022-01-11	AABB	36,000,000
2022-19-08	SWRM	50,000,000
2022-10-11	SWRM	46,666,666
2023-23-03	SWRM	50,000,000
TOTAL		210,166,666

70. Between June 2022 and April 2023, RO Jr sold 1,743,137 shares of CEOS, 40,120,880 shares of AABB and 69,617,450 shares of SWRM.

71. Between August 2022 and April 2023, RO Jr withdrew a total of \$1,776,500 USD from his BMO account.

Client SSCB AG

72. SSCB AG, a corporation headquartered in Switzerland, opened an account with the Respondent on or about May 23, 2022. SSCB AG was referred to the Respondent by SM.

73. Pursuant to the account agreement, SSCB AG's investment objective was "aggressive growth" and the intended use of the account was "long term investment", with an investment horizon of "5 to 10 yrs". Its investment knowledge was listed as "good".

74. SSCB AG's stated total annual income was then \$4,000,000, with liquid assets and net fixed assets estimated at \$2,000,000 and \$3,000,000 respectively.

75. SSCB AG transferred 3,000,000 GEGR shares in its BMO account on June 14, 2022.

76. On July 21, 2022, SSCB AG sold 180,000 shares of GEGR.

Client RO Sr

77. Ro Sr opened accounts with the Respondent on or about January 13, 2023. Ro Sr was referred to the Respondent by SM. He is related to client RO Jr.

78. Pursuant to the account agreement, Ro Sr was a self-employed consultant, his investment objective was “growth” and the intended use of the account was “long term investment”, with an investment horizon of “10+ years”. His investment knowledge was listed as “excellent”.

79. RO Sr’s stated total annual income was then \$420,000, with liquid assets and net fixed assets estimated at \$4,000,000 and \$1,000,000 respectively.

80. RO Sr transferred 12,500,000 AABB shares in his BMO account on January 25, 2023.

81. Between January 31 and April 10, 2023, RO Sr sold 8,507,516 shares of AABB.

82. During the same period, RO Sr withdrew \$70,000 USD from his BMO.

Client CRD

83. CRD opened accounts with the Respondent on or about October 27, 2021. CRD was referred to the Respondent by WH, client PT Ltd.’s sole shareholder.

84. Pursuant to the account agreement, CRD was a self-employed consultant, her investment objective was “growth” and the intended use of the account was “long term investment”, with an investment horizon of “10 yrs and more”. Her investment knowledge was listed as “limited”.

85. CRD’s stated total annual income was then \$95,000, with liquid assets and net fixed assets estimated at \$100,000 and \$1,200,000 respectively.

86. CRD transferred 1,744,700 INSD shares on November 4, 2021 and 10,000,000 MOBO shares on November 2nd, 2022 in her BMO account.
87. Between November 2021 and November 2022, CRD sold 12,492 shares of INSD and 4,143,424 shares of MOBO.
88. Between December 2021 and April 2023, CRD's withdrawals from her BMO account totaled \$388,438 CAD and \$35,209 USD, respectively.

Client DD

89. DD opened accounts with the Respondent on or about November 2nd, 2021. DD was referred to the Respondent by WH. She is related to client CRD.
90. Pursuant to the account agreement, DD was employed as a seasonal salesperson, her investment objective was "growth" and the intended use of the account was "long term investment", with an investment horizon of "10 yrs and more". Her investment knowledge was listed as "limited".
91. DD's stated total annual income was then \$160,000, with liquid assets and net fixed assets estimated at \$200,000 and \$4,000,000 respectively.
92. DD transferred 1,499,800 INSD shares on November 9, 2021 and 10,000,000 MOBO shares on December 6, 2022 in her BMO account.
93. Between November 10 and November 18, 2021, DD sold 3,341 shares of INSD.
94. Between June 2022 and July 2023, DD's withdrawals from her BMO account totaled \$124,367 USD.

Client 719 Ltd.

95. 719 Ltd. opened an account with the Respondent on or about November 16, 2021. 719 Ltd. was referred to the Respondent by WH.

96. 719 Ltd. was incorporated in Ontario. Its president was RD, related to clients CRD and DD.
97. Pursuant to the account agreement, 719 Ltd.'s investment objective was "growth" and the intended use of the account was "long term investment", with an investment horizon of "10+ years". Its investment knowledge was listed as "good".
98. 719 Ltd.'s stated total annual income was then \$350,000, with liquid assets and net fixed assets estimated at \$750,000 and \$150,000 respectively.
99. On January 25, 2023, 719 Ltd. bought 50,000 MOBO shares in its BMO account.

Client 886 Ltd.

100. 886 Ltd. opened an account with the Respondent on or about May 16, 2022. 886 Ltd. was referred to the Respondent by WH.
101. 886 Ltd. was incorporated in Ontario. It was the personal holding company of client CRD.
102. Pursuant to the account agreement, 886 Ltd.'s investment objective was "growth" and the intended use of the account was "long term investment", with an investment horizon of "5-10 years". Its investment knowledge was listed as "good".
103. 886 Ltd.'s stated total annual income was then \$500,000, with liquid assets and net fixed assets estimated at \$5,000,000 and \$0 respectively.
104. 886 Ltd. transferred 1,740,014 STAL shares in its BMO account on August 10, 2022. The client also bought 60,000 MOBO shares between January and March 2023.
105. Between August and November 2022, 886 Ltd. sold these 1,740,014 shares of STAL.
106. Between August and December 2022, 886 Ltd.'s withdrawals from its BMO account totaled \$162,500 CAD and \$37,000 USD, respectively.

Client 877 Ltd.

107. 877 Ltd. opened an account with the Respondent on or about June 9, 2022. 877 Ltd. was referred to the Respondent by WH.
108. 877 Ltd. was incorporated in Ontario. It was the personal holding company of JD, related to clients CRD and DD.
109. Pursuant to the account agreement, 877 Ltd.'s investment objective was "growth" and the intended use of the account was "long term investment", with an investment horizon of "5-10 years". Its investment knowledge was listed as "good".
110. 877 Ltd.'s stated total annual income was then \$175,000, with liquid assets and net fixed assets estimated at \$1,000,000 and \$0 respectively.
111. 877 Ltd. transferred 1,600,000 STAL shares in its BMO account on July 5, 2022. The client also bought 1,840,500 MOBO shares between November 2022 and March 2023, as well as 11,547 ARMV shares in December 2022.
112. Between August 2022 and January 2023, 877 Ltd. sold these 1,600,000 shares of STAL.
113. Between September 2022 and June 2023, 877 Ltd.'s withdrawals from its BMO account totaled \$42,652 CAD and \$184,681 USD, respectively.

Client AGO Inc.

114. AGO Inc., a corporation headquartered in Barbados, opened an account with the Respondent on or about March 31, 2022. AGO Inc., via one of its officers and sole shareholder, AHG, was referred to the Respondent by clients DD, CRD and JD.
115. Pursuant to the account agreement, AGO Inc.'s investment objective was "aggressive growth" and the intended use of the account was "long term

investment”, with an investment horizon of “10+ years”. Its investment knowledge was listed as “good”.

116. AGO Inc.’s stated total annual income was then \$2,000,000, with liquid assets and net fixed assets estimated at \$3,000,000 and \$2,000,000 respectively.
117. AGO Inc. transferred 300,000 ARMV shares in its BMO account on December 29, 2022.
118. Between March 15 and March 28, 2023, AGO Inc. sold 235,902 shares of ARMV.

Client STI Inc.

119. STI Inc., a corporation headquartered in Barbados, also opened an account with the Respondent on or about March 31, 2022. STI Inc., via one of its officers and sole shareholder, AHG, was referred to the Respondent by clients DD, CRD and JD.
120. Pursuant to the account agreement, STI Inc.’s investment objective was “aggressive growth” and the intended use of the account was “long term investment”, with an investment horizon of “10+ years”. Its investment knowledge was listed as “good”.
121. STI Inc.’s stated total annual income was then \$5,000,000, with liquid assets and net fixed assets estimated at \$5,000,000 and \$0 respectively.
122. STI Inc. transferred 1,600,000 STAL shares in its BMO account on May 5, 2022.
123. Between September 2022 and January 2023, STI Inc. sold 1,213,000 shares of STAL.

Conclusion

124. The Respondent, whose clients’ OTC positions held in their accounts, compared to their total assets under management, went from 0.1% at the end of 2020 to 64.4% at the end of 2021, failed to exercise his gatekeeper obligations by not considering or addressing, amongst other things:

- the trading activity of these 19 clients, compared with their listed objectives and personal information at the time of the account opening;
- the referrals and ultimate ties between these clients;
- the fact that these clients mostly transferred-in, then sold their OTC positions and withdrew the proceeds from their accounts;
- BMO's policy, which provided that trading in OTC securities should only be incidental.

125. The Respondent generated \$90,725.45 in commissions for himself, from OTC trading for these clients.

DATED at Toronto , Ontario this 2nd day of April, 2026.