



**Mutual Fund Dealers Association of Canada**  
Association canadienne des courtiers de fonds mutuels

**IN THE MATTER OF A DISCIPLINARY HEARING  
PURSUANT TO SECTIONS 20 AND 24 OF BY-LAW NO. 1 OF  
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

**Re: Alvinder Singh Gill**

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**NOTICE OF HEARING**

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**NOTICE** is hereby given that a first appearance will take place by teleconference before a hearing panel of the Pacific Regional Council (“Hearing Panel”) of the Mutual Fund Dealers Association of Canada (“MFDA”) on January 17, 2023 at 10:00 a.m. (Pacific), or as soon thereafter as the appearance can be held, concerning a disciplinary proceeding commenced by the MFDA against Alvinder Singh Gill (the “Respondent”). Members of the public who would like to listen to the teleconference should contact [hearings@mfd.ca](mailto:hearings@mfd.ca) to obtain particulars.

**DATED** this 11<sup>th</sup> day of November, 2022.

“Michelle Pong”

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Michelle Pong  
Director, Regional Councils

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**NOTICE** is further given that the MFDA alleges the following violations of the By-laws, Rules or Policies of the MFDA:

**Allegation #1:** Between March 9, 2016 and October 20, 2020, the Respondent misappropriated or failed to account for monies that he received from individuals, contrary to MFDA Rule 2.1.1.

**Allegation #2:** Between March 9, 2016 and August 26, 2020, the Respondent made false or misleading statements and provided fictitious account documents to individuals which misrepresented that he had invested the individuals' monies, contrary to MFDA Rule 2.1.1.

**Allegation #3:** Between March 9, 2016 and October 20, 2020, the Respondent engaged in unapproved outside activities, contrary to the Member's policies and procedures, and MFDA Rules 1.3.2 (formerly 1.2.1(c)),<sup>1</sup> 2.1.1 and 1.1.2 (as it relates to MFDA Rule 2.5.1).

**Allegation #4:** Commencing in approximately November 2020, the Respondent failed to cooperate with an investigation by MFDA Staff into his conduct, contrary to section 22.1 of MFDA By-law No. 1.

### **PARTICULARS**

**NOTICE** is further given that the following is a summary of the facts alleged and intended to be relied upon by the MFDA at the hearing:

#### **Registration History**

1. Between approximately October 12, 2001 and November 19, 2008, and between March 9, 2016 and October 20, 2020, the Respondent was registered in British Columbia as a dealing representative with Sun Life Financial Investment Services (Canada) Inc. ("Sun Life"), a Member of the MFDA.
2. On October 20, 2020, the Respondent resigned from Sun Life and he is not currently registered in the securities industry in any capacity.
3. Between approximately June 1, 2008 and October 21, 2020, the Respondent was licensed in British Columbia to sell insurance on behalf of The Canada Life Assurance Company ("Canada

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<sup>1</sup> Effective March 17, 2016, Rule 1.2.1(c) was amended and renumbered as MFDA Rule 1.3.

Life”) through managing general agents Pacific Place Financial Services Inc. and Aerie Insurance Solutions Inc. (the “MGAs”).

4. At all material times, the Respondent conducted business in the Abbotsford, British Columbia area.

**Allegation #1 – The Respondent Misappropriated or Failed to Account for Monies**

5. On January 26, 2009, the Respondent registered a sole proprietorship, Greynote Group Financial Services (“Greynote”). The Respondent was the sole proprietor of Greynote.

6. The Respondent did not disclose to or obtain approval from Sun Life to register or operate Greynote in any capacity.

7. At all material times, DL and SL (spouses) were retired individuals who maintained investment accounts at a Member of the MFDA that was not Sun Life.

8. In or about 2010, DL and SL were introduced to the Respondent through a mutual friend. DL and SL requested that the Respondent manage their investments. The Respondent was not registered as a dealing representative with any MFDA Member at this time.

9. At their initial meeting, the Respondent:

- a) told DL and SL that he serviced the accounts of other individuals who held an investment which the Respondent described as a commercial real estate “trust fund investment” through Canada Life (the “Purported Investment”);
- b) told DL and SL that the other individuals wished to sell the Purported Investment, which had a remaining term of 3-5 years; and
- c) recommended that DL and SL purchase the Purported Investment, which he said had “no-risk”, would entitle DL and SL to receive previously accrued interest of 5.5%, and would generate interest at a rate of up to 7% annually in the future.

10. Commencing in March 2010, while the Respondent was not registered in the securities industry, and continuing during the period after the Respondent became registered with Sun Life until September 2019, the Respondent solicited and accepted at least \$329,625 from DL and SL to purchase the Purported Investment.

11. The Purported Investment was a fictitious product and was not known to or approved by Canada Life.

12. The Respondent instructed DL and SL to provide payments to the Respondent personally or through his company Greynote, including the following:

#	Date	Document	Amount	Payable To
1	March 1, 2010	Bank Draft	\$30,000	The Respondent
2	June 28, 2011	Bank Draft	\$30,000	Greynote
3	August 22, 2012	Bank Draft	\$30,000	Greynote
4	September 14, 2012	Bank Draft	\$30,000	The Respondent/Greynote
5	January 6, 2013	Cheque	\$45,000	The Respondent/Greynote
6	November 25, 2013	Cheque	\$20,000	Greynote
7	June 9, 2014	Cheque	\$10,000	Greynote
8	October 3, 2014	Cheque	\$15,000	Greynote
9	December 2, 2014	Bank Draft	\$30,000	Greynote
10	September 28, 2015	Cheque	\$10,000	Greynote
11	July 30, 2018	Bank Draft	\$14,750	The Respondent
12	August 28, 2018	Cheque	\$9,875	The Respondent
13	November 30, 2018	Cheque	\$10,000	The Respondent
14	January 28, 2019	Cheque	\$10,000	The Respondent
15	May 7, 2019	Cheque	\$15,000	The Respondent
16	May 29, 2019	eTransfer	\$2,500	The Respondent
17	May 29, 2019	eTransfer	\$2,500	The Respondent
18	September 4, 2019	Cheque	\$15,000	The Respondent
<b>Total: \$329,625</b>				

13. Between March 2016 and August 2020, the Respondent periodically provided DL and SL with documents which the Respondent represented were account statements for the Purported Investment (the “Account Statements”).

14. The account statements purported to show:

- a) that DL and SL held the Purported Investment in investment accounts with Canada Life;
- b) the value of the Purported Investment;
- c) deposits to and withdrawals from investment accounts in which the Purported Investment was held;
- d) that the account holder of the Purported Investment was Greynote; and

e) that the Respondent was the advisor associated with the Purported Investment.

15. The Account Statements were fictitious, contained information that was false or misleading, and misrepresented to DL and SL that the Respondent had invested their monies in the Purported Investment with Canada Life.

16. In or about late 2019, the Respondent told DL and SL that, in order to continue to hold the Purported Investment through Canada Life, DL and SL were required to invest additional amounts with the Respondent and/or Greynote.

17. At this time, DL and SL refused to provide additional amounts to the Respondent for investment and requested that he liquidate the Purported Investment and return their monies.

18. Between approximately February 2020 and August 2020, the Respondent falsely represented to DL and SL that he had liquidated the Purported Investment and would return their monies.

19. On or about August 26, 2020:

- a) the Respondent told DL and SL that he had invested their monies into “a few riskier investments” which had declined in value to “25 cents on the dollar”;
- b) when DL and SL threatened to take legal action against him, the Respondent told them that he would arrange to repay their monies within 30 days; and
- c) the Respondent falsely represented to DL and SL that he had liquidated the Purported Investment.

20. On or about August 26, 2020, DL and SL complained to Canada Life that the Respondent had failed to repay the monies that the Respondent had told them he had invested with Canada Life on their behalf. On September 21, 2020, Canada Life informed DL and SL that they did not hold investments with Canada Life and the Account Statements were fictitious.

21. The Respondent failed to repay or otherwise account for all of the monies which he had solicited and obtained from DL and SL, as described above.

22. By virtue of the foregoing, the Respondent misappropriated or failed to account for monies that he received from DL and SL, contrary to MFDA Rule 2.1.1.

**Allegation #2 – The Respondent Made Statements and Provided Documents to Individuals that were False and Misleading**

23. As described above at paragraphs 13 and 14, the Respondent periodically provided DL and SL with the Account Statements that he falsely represented to DL and SL showed the value of the Purported Investment.

24. The Respondent provided DL and SL with the false Account Statements and misled them about how their money was invested.

25. As described above at paragraph 18, the Respondent falsely represented to DL and SL that he had liquidated the Purported Investment and would return their monies.

26. By virtue of the foregoing, the Respondent made false statements and provided fictitious documents to individuals, contrary to MFDA Rule 2.1.1.

**Allegation #3 – The Respondent Engaged in Undisclosed Outside Activities**

27. At all material times, Sun Life's policies and procedures:

- a) required Approved Persons to disclose and obtain written authorization from Sun Life prior to engaging in any outside activity including holding companies; and
- b) prohibited Approved Persons from selling, marketing or distributing the products of, or otherwise representing, any financial institution or financial intermediary other than Sun Life and its affiliated companies.

28. As described above at paragraph 6, the Respondent did not disclose to Sun Life or obtain Sun Life's approval prior to registering and operating Greynote.

29. The Respondent also did not disclose to Sun Life or obtain Sun Life's approval to conduct his insurance business through the MGAs.

30. By virtue of the foregoing, the Respondent engaged in undisclosed outside activities which were not approved by Sun Life, contrary to Sun Life's policies and procedures and MFDA Rules 1.3.2 (formerly 1.2.1(c)), 2.1.1 and 1.1.2 (as it relates to MFDA Rule 2.5.1).

#### **Allegation #4 – The Respondent Failed to Cooperate With the MFDA**

31. In or about October 2020, Staff of the MFDA (“Staff”) was informed of a complaint made by DL and SL that alleged that they had invested approximately \$300,000 with the Respondent, which had not been repaid.

32. On November 24, 2020, Staff emailed a letter to the Respondent which informed him that Staff had commenced an investigation into his conduct and requested that the Respondent confirm, provide or explain, among other things:

- a) the nature and details of the Purported Investment, the names of any clients or other individuals like DL and SL who had provided monies to the Respondent for investment in the Purported Investment and the reason why they had not been repaid;
- b) the Respondent’s role in Greynote and whether it was disclosed to, and approved by, Sun Life;
- c) any communications between the Respondent and DL and SL related to the complaint; and
- d) copies of all documents related to the complaint.

33. Between November 26, 2020 and December 6, 2021, Staff sent communications to the Respondent to request a written statement from the Respondent as well as certain information and documents relevant to matters under investigation by Staff.

34. Staff repeatedly informed the Respondent that, should he fail or refuse to provide a response to Staff’s requests for information, Staff may seek authorization to commence enforcement proceedings against the Respondent which may include an allegation that he failed to cooperate with an MFDA investigation.

35. The Respondent communicated with Staff between November 6, 2020 and December 6, 2021, but failed or refused to provide responses to Staff’s questions or provide the documents that were relevant to the matters under investigation.

36. Between June 18, 2021 and November 25, 2021, Staff communicated with the Respondent and requested his attendance at an interview.

37. The interview was scheduled to take place on September 24, 2021. The Respondent attended, but failed or refused to answer Staff's questions about the matters under investigation. The interview was therefore adjourned.

38. The interview was rescheduled on two other occasions on November 3, 2021 and on November 25, 2021. On these occasions, the Respondent attended the rescheduled interview, but failed or refused to answer Staff's questions about the matters under investigation.

39. During the November 25, 2021 interview, the Respondent requested that the interview be adjourned for an additional two to three weeks in order for the Respondent to obtain legal counsel.

40. On December 6, 2021, Staff personally served the Respondent with a letter dated December 1, 2021 which reiterated Staff's previous requests for information, Staff's prior attempts to contact the Respondent, and the Respondent's failure to provide information and documents that Staff had previously requested.

41. The December 1, 2021 letter advised the Respondent that, given his failure to provide the requested documentation and his refusal to answer Staff's questions during the November 25, 2021 interview, Staff may seek authorization to commence enforcement proceedings against him which may include an allegation that he failed to cooperate with Staff's investigation.

42. Neither the Respondent nor counsel on his behalf contacted Staff at any point. The Respondent also failed or refused to respond to Staff's December 1, 2021 letter or provide answers to Staff's questions relating to the matters under investigation, in writing or at an interview.

43. Due to the Respondent's failure to cooperate with Staff's investigation, Staff has not been able to determine the full nature and extent of the Respondent's conduct described above, including the full extent of his dealings with DL and SL and whether he engaged in similar misconduct with other clients or individuals.

44. By engaging in the conduct described above, the Respondent failed to cooperate with an investigation by MFDA Staff into his conduct, contrary to section 22.1 of MFDA Bylaw No. 1.

**NOTICE** is further given that the Respondent shall be entitled to appear and be heard and be represented by counsel or agent at the hearing and to make submissions, present evidence and call, examine and cross-examine witnesses.



**NOTICE** is further given that MFDA By-laws provide that if, in the opinion of the Hearing Panel, the Respondent:

- has failed to carry out any agreement with the MFDA;
- has failed to comply with or carry out the provisions of any federal or provincial statute relating to the business of the Member or of any regulation or policy made pursuant thereto;
- has failed to comply with the provisions of any By-law, Rule or Policy of the MFDA;
- has engaged in any business conduct or practice which such Regional Council in its discretion considers unbecoming or not in the public interest; or
- is otherwise not qualified whether by integrity, solvency, training or experience,

the Hearing Panel has the power to impose any one or more of the following penalties:

- a) a reprimand;
- b) a fine not exceeding the greater of:
  - (i) \$5,000,000.00 per offence; and
  - (ii) an amount equal to three times the profit obtained or loss avoided by such person as a result of committing the violation;
- c) suspension of the authority of the person to conduct securities related business for such specified period and upon such terms as the Hearing Panel may determine;
- d) revocation of the authority of such person to conduct securities related business;
- e) prohibition of the authority of the person to conduct securities related business in any capacity for any period of time; and
- f) such conditions of authority to conduct securities related business as may be considered appropriate by the Hearing Panel.

**NOTICE** is further given that the Hearing Panel may, in its discretion, require that the Respondent pay the whole or any portion of the costs of the proceedings before the Hearing Panel and any investigation relating thereto.

**NOTICE** is further given that the Respondent must **serve a Reply** on Enforcement Counsel and **file a Reply** with the Office of the Corporate Secretary within twenty days from the date of service of this Notice of Hearing.

A **Reply** shall be **served** upon Enforcement Counsel at:

Mutual Fund Dealers Association of Canada  
121 King Street West, Suite 1000  
Toronto, ON M5H 3T9  
Attention: Brendan Forbes  
Email: [bforbes@mfd.ca](mailto:bforbes@mfd.ca)

A **Reply** shall be **filed** by:

- a) providing four copies of the **Reply** to the Office of the Corporate Secretary by personal delivery, mail or courier to:

The Mutual Fund Dealers Association of Canada  
121 King Street West, Suite 1000  
Toronto, ON M5H 3T9  
Attention: Office of the Corporate Secretary; or

- b) transmitting one electronic copy of the **Reply** to the Office of the Corporate Secretary by e-mail at [corporatesecretary@mfd.ca](mailto:corporatesecretary@mfd.ca).

A **Reply** may either:

- (i) specifically deny (with a summary of the facts alleged and intended to be relied upon by the Respondent, and the conclusions drawn by the Respondent based on the alleged facts) any or all of the facts alleged or the conclusions drawn by the MFDA in the Notice of Hearing; or
- (ii) admit the facts alleged and conclusions drawn by the MFDA in the Notice of Hearing and plead circumstances in mitigation of any penalty to be assessed.

**NOTICE** is further given that the Hearing Panel may accept as having been proven any facts alleged or conclusions drawn by the MFDA in the Notice of Hearing that are not specifically denied in the **Reply**.

**NOTICE** is further given that if the Respondent fails:

- a) to **serve and file a Reply**; or

- b) attend at the hearing specified in the Notice of Hearing, notwithstanding that a **Reply** may have been served,

the Hearing Panel may proceed with the hearing of the matter on the date and the time and place set out in the Notice of Hearing (or on any subsequent date, at any time and place), without any further notice to and in the absence of the Respondent, and the Hearing Panel may accept the facts alleged or the conclusions drawn by the MFDA in the Notice of Hearing as having been proven and may impose any of the penalties described in the By-laws.

**END.**

DM 898723