



CIRO · OCRI

Canadian Investment
Regulatory
Organization

Organisme canadien
de réglementation
des investissements

Order

File No. 202249

**IN THE MATTER OF
THE MUTUAL FUND DEALER RULESⁱ
and
Alvinder Singh Gill**

ORDER

WHEREAS on November 11, 2022, the Mutual Fund Dealers Association of Canada (the “MFDA”) issued a Notice of Hearing pursuant to sections 20 and 24 of MFDA By-law No. 1 (now Mutual Fund Dealer Rules 7.3 and 7.4) in respect of a disciplinary proceeding commenced against Alvinder Singh Gill (the “Respondent”);

AND WHEREAS on January 1, 2023, the Investment Industry Regulatory Organization of Canada (“IIROC”) and the Mutual Fund Dealers Association of Canada (the “MFDA”) consolidated to form a new self-regulatory organization called the Canadian Investment Regulatory Organization (“CIRI”);

AND WHEREAS on January 17, 2023, the first appearance in this hearing was held electronically before one public representative of a district hearing committee acting on behalf of a hearing of the Pacific District Hearing Committee of CIRI and was attended by Staff of CIRI (“Staff”) appearing by videoconference and by the Respondent who appeared by telephone and a schedule was set for the continuation of the proceeding including the hearing on the merits which was scheduled to take place electronically by videoconference from July 11-13, 2023 commencing each day at 10 a.m. (Pacific);

AND WHEREAS on July 7, 11 and 12, 2023, the Respondent brought three separate motions seeking, among other things, an adjournment of the hearing on the merits on the basis of the Respondent's claim that he was suffering from a medical condition that would prevent him from participating by videoconference in the hearing on the merits;

AND WHEREAS the Hearing Panel dismissed each of the motions brought by the Respondent on July 7, 11 and 12, 2023 seeking an adjournment of the proceeding and the hearing on the merits commenced electronically by videoconference on July 11-12, 2023 with the Respondent participating by telephone throughout both days;

AND WHEREAS the hearing on the merits was scheduled to continue on July 13, 2023, however, the Respondent was unable to attend the hearing electronically on July 13, 2023 because he was hospitalized on the evening of July 12, 2023;

AND WHEREAS upon receipt of confirmation that the Respondent was hospitalized and unable to participate in the hearing on the merits, the Hearing Panel, with the consent of Staff, adjourned the hearing on the merits *sine die*, scheduled an interim appearance to take place electronically by videoconference on July 26, 2023 and, pursuant to sections 24.3.1(a)(vii) and 24.3.3(a) of MFDA By-law No. 1 and subject to any further order of a Hearing Panel, suspended the Respondent's authority to conduct securities related business while in the employ of or in association with a Dealer Member of CIRO registered as a mutual fund dealer;

AND WHEREAS on July 26, 2023, an appearance was held as previously scheduled that was attended by Staff appearing by videoconference and by the Respondent appearing by telephone and during the appearance, on consent of both parties, the hearing on the merits was scheduled to continue on September 21-22, 2023;

AND WHEREAS on September 15 and 19, 2023, the Respondent made requests to Staff to consent to a further adjournment of the hearing on the merits that were refused

and on September 21, 2023, Staff received an email from the Respondent indicating that the Respondent was hospitalized again;

AND WHEREAS on September 21 and 22, 2023, the Respondent was hospitalized and did not attend the continuation of the hearing on the merits that had been previously scheduled on July 26, 2023 with the consent of the Respondent, however, the Hearing Panel exercised its discretion pursuant to Rules 7.3(1) and 13.5(1) of the Mutual Fund Dealer Rules of Procedure (the “ROP”) and section 20.4(b) of the MFDA By-law No. 1 to proceed with the hearing on the merits in the absence of the Respondent;

AND UPON reading the affidavits and other documentary evidence filed by Staff and the written submissions of Staff and upon hearing the testimony of witnesses who testified during the hearing on the merits and the oral submissions of Staff with respect to misconduct, the Hearing Panel is of the opinion that:

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;
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;
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)), 2.1.1 and 1.1.2 (as it relates to MFDA Rule 2.5.1; and
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.

AND WHEREAS on September 29, 2023, prior to the commencement of a penalty hearing that was scheduled to take place electronically by videoconference before the Hearing Panel, the Respondent brought a motion to request an adjournment of the penalty hearing;

AND WHEREAS the Respondent's adjournment motion was dismissed and Staff was asked to proceed with oral submissions with respect to the appropriate penalty to impose on the Respondent as a consequence of the findings of misconduct that had been made by the Hearing Panel, the Hearing Panel scheduled a further appearance on November 3, 2023 for the Respondent to present responding submissions with respect to penalty;

AND UPON reading the written submissions of Staff with respect to misconduct and upon hearing the oral submissions of Staff and the oral submissions of the Respondent with respect to penalty;

IT IS HEREBY ORDERED THAT:

1. The Respondent is permanently prohibited from conducting securities related business in any capacity while in the employ of or associated with any Dealer Member of CIRO registered as a mutual fund dealer pursuant to s. 24.1.1(e) of MFDA By-law No. 1 [now Mutual Fund Dealer Rule 7.4.1.1(e)].
2. The Respondent shall pay a fine in the amount of \$310,000 in certified funds on the date of this Order, pursuant to s. 24.1.1(b) of MFDA By-law No. 1 [now Mutual Fund Dealer Rule 7.4.1.1(b)].
3. The Respondent shall pay costs in the amount of \$30,000 in certified funds on the date of this Order, pursuant to s. 24.2 of MFDA By-law No. 1 (now Mutual Fund Dealer Rule 7.4.2);
4. If at any time a non-party to this proceeding, with the exception of the bodies set out in Mutual Fund Dealer Rule 6.3, requests production of or access to exhibits in this

proceeding that contain personal information as defined by CIRO’s Privacy Policy, then the Corporate Secretary’s Office, Mutual Fund Dealer Division of CIRO shall not provide copies of or access to the requested exhibits to the non-party without first redacting from them any and all intimate financial and personal information, pursuant to Rules 1.8(2) and (5) of the Mutual Fund Dealer Rules of Procedure.

DATED this 4th day of April, 2024

“Joseph Bernardo”

Joseph Bernardo,
Chair

“Barbara Fraser”

Barbara Fraser,
Industry Representative

“Sean Shore”

Sean Shore,
Industry Representative

ⁱ On January 1, 2023, the Investment Industry Regulatory Organization of Canada (“IIROC”) and the Mutual Fund Dealers Association of Canada (the “MFDA”) were consolidated into a single self-regulatory organization recognized under applicable securities legislation that is called the Canadian Investment Regulatory Organization (referred to herein as “CIRO”). CIRO adopted interim rules that incorporate the pre-amalgamation regulatory requirements contained in the rules and policies of IIROC and the by-law, rules and policies of the MFDA (the “Interim Rules”). The Interim Rules include (i) the Investment Dealer and Partially Consolidated Rules, (ii) the UMIR and (iii) the Mutual Fund Dealer Rules. These rules are largely based on the rules of IIROC and certain by-laws, rules and policies of the MFDA that were in force immediately prior to amalgamation. Where the rules of IIROC and the by-laws, rules and policies of the MFDA that were in force immediately prior to amalgamation have been incorporated into the Interim Rules, Enforcement Staff have referenced the relevant section of the Interim Rules. Pursuant to Mutual Fund Dealer Rule 1A and s.14.6 of By-Law No. 1 of CIRO, contraventions of former MFDA regulatory requirements may be enforced by CIRO.