



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 GITC INVESTMENTS AND TRADING CANADA LTD.
carrying on business as GITC INVESTMENTS AND TRADING CANADA INC.
and GITC, GITC INC., and AMAL TAWFIQ ASFOUR**

- and -

**IN THE MATTER OF A
SETTLEMENT AGREEMENT BETWEEN STAFF
OF THE ONTARIO SECURITIES COMMISSION AND
GITC INVESTMENTS AND TRADING CANADA LTD.
carrying on business as GITC INVESTMENTS AND TRADING CANADA INC.
and GITC, GITC INC., and AMAL TAWFIQ ASFOUR**

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Ontario Securities Commission (the “Commission”) will issue a Notice of Hearing to announce that it will hold a hearing to consider whether, pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S-5, as amended (the “Act”), it is in the public interest for the Commission to make certain orders in respect of GITC Investments & Trading Canada Ltd. carrying on business as GITC Investments and Trading Canada Inc. and GITC (“GITC Investments &

Trading Canada”), GITC Inc., and Amal Tawfiq Asfour (“Asfour”) (collectively, the “Respondents”).

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission (“Staff”) agree to recommend settlement of the proceeding commenced by Notice of Hearing dated March 12, 2015 (the “Proceeding”) against the Respondents according to the terms and conditions set out in Part VI of this Settlement Agreement. The Respondents agree to the making of an order in the form attached as Schedule “A”, based on the facts set out below.
3. For the purposes of this Proceeding, and any other regulatory proceeding commenced by a securities regulatory authority, the Respondent agrees with the facts as set out in Part III and the conclusion in Part IV of this Settlement Agreement.

PART III – AGREED FACTS

A. OVERVIEW

4. During the period from March 26, 2013 until September 9, 2014 (the “Relevant Period”), the Respondents: (i) traded in securities without being registered, contrary to subsection 25(1) of the Act, (ii) illegally distributed securities, contrary to subsection 53(1) of the Act, and/or (iii) acted in a manner that was contrary to the public interest.
5. Without being registered and without filing a prospectus with the Commission as was required, the Respondents solicited and sold shares of GITC Investments & Trading Canada or GITC Inc. from Ontario to residents of countries including Kuwait, the United Arab Emirates, and/or the Kingdom of Saudi Arabia. In addition to investing in a business in Canada, the documents related to the

investment indicated that making the investment could qualify the investors to obtain permanent resident status in Canada through the business immigration or investor stream of the Provincial Nominee Program (“PNP”). Shares were also sold to at least one investor who was an Ontario resident.

B. BACKGROUND

6. GITC Investments & Trading Canada was incorporated on June 21, 2011 as a New Brunswick corporation, and was registered in Ontario as an extra-provincial corporation.
7. GITC Inc. was incorporated on December 23, 2013 as a Canadian corporation, and it has a registered corporate address in Ontario.
8. Asfour was an Ontario resident during the Relevant Period. She is the sole director and directing mind of GITC Investments & Trading Canada and GITC Inc.

C. UNREGISTERED TRADING

9. Neither GITC Investments & Trading Canada nor GITC Inc. is a reporting issuer in Ontario. During the Relevant Period, none of the Respondents were registered with the Commission in any capacity.
10. During the Relevant Period, the Respondents solicited and sold securities of GITC or GITC Inc. (collectively referred to as “GITC”) from or in Ontario to investors resident in countries including Kuwait, the United Arab Emirates, and/or the Kingdom of Saudi Arabia through use of their sales agents, their web page, advertisements in publications, and/or the hosting of investment presentations. The Respondents also sold securities of GITC to at least one Ontario resident.

11. The Respondents or their agents provided investors, and had them sign in most cases, an Investment Agreement (the “GITC Investment Agreements”). Within the GITC Investment Agreements, investors were promised returns ranging from 5% to 20% annually for a five year term.
12. GITC investors received from GITC a “Certificate of Direct Investment” (the “GITC Certificate of Direct Investment”). The GITC Certificates of Direct Investment were similar to one another and stated, among other things, that the holder owned shares of GITC.
13. In doing so, GITC sold “securities” as defined in subsection 1(1) of the Act and, in particular, clauses (a), (b), (e), (g), (i), and/or (n) of that definition.
14. Through the Respondents’ conduct described above, GITC has raised money from investors. The Respondents have advised Staff that the Respondents raised approximately \$6.68 million from forty-eight of its investors. Approximately \$5.3 million of investor funds were deposited into bank accounts of GITC and Asfour in Ontario.
15. The Respondents and/or their agents claim to have earned commissions and/or fees on these trades of securities.
16. During the Relevant Period, without being registered as was required, GITC was in the business of selling securities to the public.

D. ILLEGAL DISTRIBUTION

17. In addition, the trades of GITC securities described above were also “distributions” as defined in subsection 1(1) of the Act as the securities had not been previously issued.
18. During the Relevant Period, GITC did not file a preliminary prospectus and prospectus with the Commission or obtain receipts for them from the Director as

required by subsection 53(1) of the Act. Furthermore, GITC has never filed a Form 45-106F1 Report of Exempt Distribution with the Commission.

E. FURTHER CONDUCT CONTRARY TO THE PUBLIC INTEREST

19. In addition, GITC documents provided by the Respondents or their agents to GITC investors indicated they would be making PNP applications to the British Columbia PNP, Manitoba PNP, New Brunswick PNP, and the “Investor” class program offered by Citizenship and Immigration Canada; however, GITC instead applied (within 38 applications) only to the British Columbia PNP.
20. The Respondents failed to understand that the investments made in GITC were “immigration-linked investment schemes” prohibited by the applicable Immigration and Refugee Protection Regulations. In November 2014, the British Columbia PNP rejected all of the applications that had been submitted by GITC.
21. Asfour has left Ontario and refuses to appear in-person at the settlement approval hearing.
22. The Respondents have not accounted for the funds raised from investors. Most of the investors have not been repaid.
23. The Respondents’ conduct has negatively affected the reputation and integrity of Ontario's capital markets.

PART IV – CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND THE PUBLIC INTEREST

24. By engaging in the conduct described above, the Respondents admit and acknowledge that they have breached Ontario securities law by contravening sections 25 and 53 of the Act, and Asfour admits and acknowledges that she has also breached Ontario securities law by contravening section 129.2 of the Act,

and the Respondents acknowledge that they have acted contrary to the public interest in that:

- a. During the Relevant Period, the Respondents traded and engaged in or held themselves out as engaging in the business of trading in securities without being registered to do so, in circumstances where there were no exemptions available to the Respondents under the Act, contrary to subsection 25(1) of the Act;
- b. During the Relevant Period, the trading of GITC securities as set out above constituted distributions of GITC securities by the Respondents in circumstances where no preliminary prospectus and prospectus were filed and receipts had not been issued for them by the Director, and where there were no prospectus exemptions available to them under the Act, contrary to subsection 53(1) of the Act;
- c. During the Relevant Period, Asfour as a director and officer of GITC authorized, permitted, or acquiesced in the non-compliance with subsections 25(1) and 53(1) of the Act by GITC or its sales agents, as set out above, and as a result is deemed to also have not complied with Ontario securities law pursuant to section 129.2 of the Act; and
- d. By reason of the foregoing, the Respondents engaged in conduct contrary to the public interest.

PART V – RESPONDENT’S POSITION

25. The Respondents request that the settlement hearing panel consider the following mitigating circumstances:
 - a. The Respondents have provided Staff:

- a. directions signed by Asfour providing that any proceeds (remaining after any mortgages (registered prior to the date of the Certificates of Direction) have been satisfied) from the sale of the two residential properties owned by Asfour upon which the Commission has registered Certificates of Direction shall be paid to the Commission in partial satisfaction of the orders made in paragraph 26(m) to (o) in this Agreement, or as the Commission may direct;
- b. consents signed by the Respondents to an order of the Court appointing a receiver of the two residential properties upon which the Commission has registered Certificates of Direction, to the sale of the properties by the receiver, and to the proceeds of the sales being paid to any mortgage holders on mortgages registered prior to the date of the Certificates of Direction and any remaining proceeds being paid to the Commission in partial satisfaction of the orders made in paragraph 26(m) to (o) in this Agreement, or as the Commission may direct; and
- c. consents signed by the Respondents to any consent or revocation of Commission freeze directions or certificates of direction that may be necessary to effect the directions or receivership set out above.

PART VI – TERMS OF SETTLEMENT

26. The Respondents agree to the terms of settlement listed below and to the Order attached hereto, made pursuant to section 127(1) and section 127.1 of the Act that:
- (a) the settlement agreement is approved;
 - (b) trading in any securities or derivatives by the Respondents cease permanently, pursuant to paragraph 2 of subsection 127(1) of the Act;

- (c) acquisition of any securities by the Respondents is prohibited permanently, pursuant to paragraph 2.1 of subsection 127(1) of the Act;
- (d) any exemptions contained in Ontario securities law do not apply to the Respondents permanently, pursuant to paragraph 3 of subsection 127(1) of the Act;
- (e) the Respondents be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;
- (f) Asfour resign all positions that she holds as a director or officer of an issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;
- (g) Asfour resign all positions that she holds as a director or officer of a registrant, pursuant to paragraph 8.1 of subsection 127(1) of the Act;
- (h) Asfour resign all positions that she holds as a director or officer of an investment fund manager, pursuant to paragraph 8.3 of subsection 127(1) of the Act
- (i) Asfour is prohibited from becoming or acting as a director or officer of any issuer permanently, pursuant to paragraph 8 of subsection 127(1) of the Act
- (j) Asfour is prohibited from becoming or acting as a director or officer of any registrant permanently, pursuant to paragraph 8.2 of subsection 127(1) of the Act;
- (k) Asfour is prohibited from becoming or acting as a director or officer of any investment fund manager permanently, pursuant to paragraph 8.4 of subsection 127(1) of the Act;
- (l) the Respondents are prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter permanently, pursuant to paragraph 8.5 of subsection 127(1) of the Act;

- (m) the Respondents pay an administrative penalty on a joint and several basis in the amount of \$200,000, which shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act, pursuant to paragraph 9 of subsection 127(1) of the Act;
 - (n) the Respondents disgorge to the Commission the amount of \$6,680,000 on a joint and several basis, which shall be designated for allocation or for use by the Commission in accordance with subclauses 3.4(2)(b)(i) or (ii), pursuant to paragraph 10 of subsection 127(1) of the Act;
 - (o) the Respondents shall pay costs on a joint and several basis in the amount of \$25,000, pursuant to section 127.1 of the Act; and
 - (p) Asfour's right to (i) call at any residence for the purpose of trading in securities, or (ii) telephone from within Ontario to any residence within or outside Ontario for the purpose of trading in securities, is cancelled, pursuant to subsection 37(1) of the Act.
27. The Respondents agree to attend by way of video conference at the hearing before the Commission to consider the proposed settlement.
28. The Respondents acknowledge that failure to pay in full any monetary sanctions and/or costs ordered will result in the Respondents' names being added to the list of "Respondents Delinquent in Payment of Commission Orders" published on the OSC website.
29. The Respondents acknowledge that this Settlement Agreement and proposed Order may form the basis for parallel orders in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions may allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to the Respondents. The Respondents should contact the securities

regulator of any other jurisdiction in which he/she may intend to engage in any securities related activities, prior to undertaking such activities.

PART VII – STAFF COMMITMENT

30. If the Commission approves this Settlement Agreement, Staff will not commence any proceeding under Ontario securities law in relation to the facts set out in Part III of this Settlement Agreement, subject to the provisions of paragraph 31 below.
31. If the Commission approves this Settlement Agreement and the Respondents fail to comply with any of the terms of the Settlement Agreement, Staff may bring proceedings under Ontario securities law against the Respondents. These proceedings may be based on, but are not limited to, the facts set out in Part III of this Settlement Agreement as well as the breach of the Settlement Agreement. In addition, if this Settlement Agreement is approved by the Commission, and the Respondents fail to comply with the terms of the Settlement Agreement, the Commission is entitled to bring any proceedings necessary to recover the amounts set out in subparagraphs 26(m) to (o) above.

PART VIII – PROCEDURE FOR APPROVAL OF SETTLEMENT

32. The parties will seek approval of this Settlement Agreement at a public hearing before the Commission scheduled for [a date to be set by the Secretary's Office], or on another date agreed to by Staff and the Respondents, according to the procedures set out in this Settlement Agreement and the Commission's Rules of Procedure.
33. Staff and the Respondents agree that this Settlement Agreement will form all of the agreed facts that will be submitted at the settlement hearing on the Respondents' conduct, unless the parties agree that additional facts should be submitted at the settlement hearing.

34. If the Commission approves this Settlement Agreement, the Respondents agree to waive all rights to a full hearing, judicial review or appeal of this matter under the Act.
35. If the Commission approves this Settlement Agreement, neither party will make any public statement that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the settlement hearing.
36. Whether or not the Commission approves this Settlement Agreement, the Respondents will not use, in any proceeding, this Settlement Agreement or the negotiation or process of approval of this agreement as the basis for any attack on the Commission's jurisdiction, alleged bias, alleged unfairness, or any other remedies or challenges that may otherwise be available.

PART IX – DISCLOSURE OF SETTLEMENT AGREEMENT

37. If the Commission does not approve this Settlement Agreement or does not make the order attached as Schedule “A” to this Settlement Agreement:
 - i. this Settlement Agreement and all discussions and negotiations between Staff and the Respondents before the settlement hearing takes place will be without prejudice to Staff and the Respondents; and
 - ii. Staff and the Respondents will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations contained in the Statement of Allegations. Any proceedings, remedies and challenges will not be affected by this Settlement Agreement, or by any discussions or negotiations relating to this agreement.
38. The parties will keep the terms of the Settlement Agreement confidential until the Commission approves the Settlement Agreement. Any obligations of

confidentiality shall terminate upon the commencement of the public settlement hearing. If, for whatever reason, the Commission does not approve the Settlement Agreement, the terms of the Settlement Agreement remain confidential indefinitely, unless Staff and the Respondent otherwise agree or if required by law.

PART X – EXECUTION OF SETTLEMENT AGREEMENT

39. This agreement may be signed in one or more counterparts which, together, constitute a binding agreement.
40. A facsimile copy or other electronic copy of any signature will be as effective as an original signature.

Dated at Mecca, Saudi Arabia this 19th day of September, 2015.

“Amal Asfour”

GITC INVESTMENTS & TRADING CANADA LTD.

Per: Amal Asfour

I am authorized to bind the corporation.

“Bushra Mosa Asfour”

Bushra Mosa Asfour [print]

Witness

Dated at Mecca, Saudi Arabia this 19th day of September, 2015.

“Amal Asfour”

GITC INC.

Per: Amal Asfour

I am authorized to bind the corporation.

“Bushra Mosa Asfour”

Bushra Mosa Asfour [print]

Witness

Dated at Mecca, Saudi Arabia this 19th day of September, 2015.

“Amal Asfour”

AMAL TAWFIQ ASFOUR

“Bushra Mosa Asfour”

Bushra Mosa Asfour [print]

Witness

Dated at Toronto this 15th day of October, 2015.

“Tom Atkinson”

TOM ATKINSON

Director, Enforcement Branch

Schedule “A”



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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ORDER

(Subsections 127(1) and 127.1)

WHEREAS

1. on March 12, 2015, the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing pursuant to subsections 127(1) and 127.1 of the Securities Act, R.S.O. 1990, c. S.5, as amended (the “Act”) to consider whether it is in the public interest to make orders, as specified therein, against and in respect of GITC Investments & Trading Canada Ltd. carrying on business as GITC Investments and Trading Canada Inc. and GITC (“GITC Investments & Trading

- Canada”), GITC Inc., and Amal Tawfiq Asfour (“Asfour”) (collectively, the “Respondents”). The Notice of Hearing was issued in connection with the allegations as set out in the Statement of Allegations of Staff of the Commission (“Staff”) dated March 12, 2015;
2. the Respondents entered into a Settlement Agreement with Staff dated [date] (the “Settlement Agreement”) in which the Respondents agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing dated March 12, 2015, subject to the approval of the Commission;
 3. on [date], the Commission issued a Notice of Hearing pursuant to section 127 of the Act to announce that it proposed to hold a hearing to consider whether it is in the public interest to approve a settlement agreement entered into between Staff and the Respondents;
 4. the Respondents acknowledge that failure to pay in full any monetary sanctions and/or costs ordered will result in the Respondents’ names being added to the list of “Respondents Delinquent in Payment of Commission Orders” published on the OSC website;
 5. the Respondents acknowledge that this Order may form the basis for parallel orders in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions may allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to the Respondents. The Respondents should contact the securities regulator of any other jurisdiction in which he/she may intend to engage in any securities related activities, prior to undertaking such activities;
 6. the Commission has reviewed the Settlement Agreement, the Notices of Hearing, and the Statement of Allegations of Staff, and heard submissions from counsel for the Respondents and from Staff;

7. the Commission is of the opinion that it is in the public interest to make this Order;

IT IS ORDERED that:

1. the Settlement Agreement is approved;
2. trading in any securities or derivatives by the Respondents cease permanently, pursuant to paragraph 2 of subsection 127(1) of the Act;
3. acquisition of any securities by the Respondents is prohibited permanently, pursuant to paragraph 2.1 of subsection 127(1) of the Act;
4. any exemptions contained in Ontario securities law do not apply to the Respondents permanently, pursuant to paragraph 3 of subsection 127(1) of the Act;
5. the Respondents be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;
6. Asfour resign all positions that she holds as a director or officer of an issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;
7. Asfour resign all positions that she holds as a director or officer of a registrant, pursuant to paragraph 8.1 of subsection 127(1) of the Act;
8. Asfour resign all positions that she holds as a director or officer of an investment fund manager, pursuant to paragraph 8.3 of subsection 127(1) of the Act;
9. Asfour is prohibited from becoming or acting as a director or officer of any issuer permanently, pursuant to paragraph 8 of subsection 127(1) of the Act;

10. Asfour is prohibited from becoming or acting as a director or officer of any registrant permanently, pursuant to paragraph 8.2 of subsection 127(1) of the Act;
11. Asfour is prohibited from becoming or acting as a director or officer of any investment fund manager permanently, pursuant to paragraph 8.4 of subsection 127(1) of the Act;
12. the Respondents are prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter permanently, pursuant to paragraph 8.5 of subsection 127(1) of the Act;
13. the Respondents pay an administrative penalty on a joint and several basis in the amount of \$200,000, which shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act, pursuant to paragraph 9 of subsection 127(1) of the Act;
14. the Respondents disgorge to the Commission the amount of \$6,680,000 on a joint and several basis, which shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii), pursuant to paragraph 10 of subsection 127(1) of the Act;
15. the Respondents shall pay costs on a joint and several basis in the amount of \$25,000, pursuant to section 127.1 of the Act; and
16. Asfour's right to (i) call at any residence for the purpose of trading in securities, or (ii) telephone from within Ontario to any residence within or outside Ontario for the purpose of trading in securities, is cancelled, pursuant to subsection 37(1) of the Act.

DATED at Toronto, this [day] day of [month], 2015.
