



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

22<sup>nd</sup> Floor  
20 Queen Street West  
Toronto ON M5H 3S8

22e étage  
20, rue queen ouest  
Toronto ON M5H 3S8

---

**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**

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

Staff of the Ontario Securities Commission (“Staff”) make the following allegations:

**A. Overview**

1. During the period from March 26, 2013 until September 9, 2014 (the “Relevant Period”), 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”): (i) traded in securities without being registered, contrary to subsection 25(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (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.
2. Without being registered and without filing a prospectus with the Ontario Securities Commission (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. The Respondents**

3. 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.
4. GITC Inc. was incorporated on December 23, 2013 as a Canadian corporation, and it has a registered corporate address in Ontario.
5. Asfour was an Ontario resident during the Relevant Period. She was the sole director and directing mind of GITC Investments & Trading Canada and GITC Inc.

**C. Unregistered Trading**

6. 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.
7. 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.
8. 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.
9. 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.

10. 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.
11. Through the Respondents’ conduct described above, GITC has raised approximately \$6.46 million from forty-eight of its investors of which approximately \$5.3 million was deposited into bank accounts of GITC and Asfour in Ontario.
12. The Respondents and/or their agents claim to have earned commissions and/or fees on these trades of securities.
13. During the Relevant Period, without being registered as was required, GITC was in the business of selling securities to the public.

**D. Illegal Distribution**

14. 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.
15. 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**

16. 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.
17. 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.

18. The Respondents' conduct has negatively affected the reputation and integrity of Ontario's capital markets.

**F. Breaches of Ontario Securities Law and/or Conduct Contrary to the Public Interest**

19. The foregoing conduct engaged in by the Respondents constituted breaches of Ontario securities law. In particular:

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; and

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.

20. By reason of the foregoing, the Respondents violated the requirements of Ontario securities law and/or engaged in conduct contrary to the public interest such that it is in the public interest to make orders under section 127 of the Act.

21. Staff reserve the right to make such other allegations as Staff may advise and the Commission may permit.

Dated at Toronto this 12<sup>th</sup> day of March, 2015.