ALBERTA SECURITIES COMMISSION

DECISION

Citation: Re Chandran, 2015 ABASC 717 **Date: 20150519**

Neil Suresh Chandran, Energy TV Inc.,
Chandran Holding Media, Inc., also known as Chandran Holdings & Media Inc.,
and Neil Suresh Chandran doing business as Chandran Media

Panel:	Stephen Murison Ian Beddis Ann Rooney, FCA
Representation:	Tom McCartney and Garner Groome for Commission Staff Philippe Lalonde for the Respondents
Submissions Completed:	30 April 2015
Decision:	19 May 2015

TABLE OF CONTENTS

I. INTRODUCTION 1

II. BACKGROUND 1
- A. The Respondents 1
- B. Capital-Raising Activities 2

III. THE MISCONDUCT 3
- A. The Extant Allegations 3
- B. The Admissions 3
- C. Analysis 3
  - 1. Illegal Trades and Distributions 3
  - 2. Filing Failures 4
  - 3. Prohibited Refund Representation 4

IV. APPROPRIATE ORDERS 5
- A. Sanctions and Cost-recovery Orders Generally 5
- B. Joint Recommendation 6
- C. Sanctioning 6
  - 1. Factors Considered 6
    - (a) Seriousness and Recognition of Seriousness 6
    - (b) The Respondents' Characteristics and History 6
    - (c) Benefit and Harm from Misconduct 7
    - (d) Risk Posed 8
    - (e) Mitigating Considerations 8
    - (f) Conclusion on Factors 8
  - 2. Appropriate Sanctions 9
- D. Costs Considerations 10

V. ORDERS 10

I. INTRODUCTION

[1] Neil Suresh Chandran (**Chandran** or, in respect of his activity under the business name **Chandran Media**, referred to by that name), Energy TV Inc. (**TV**) and Chandran Holding Media, Inc., also known as Chandran Holdings & Media Inc. (**Holdings**), were alleged by staff (**Staff**) of the Alberta Securities Commission (the **ASC**) to have acted contrary to Alberta securities laws and the public interest in connection with the raising of money from investors.

[2] Before this matter came to a hearing, Chandran, Chandran Media, TV and Holdings (together, the **Respondents**) and Staff entered into a Statement of Admissions and Joint Recommendation as to Sanction (the **Statement**). The Statement recited that the Respondents – having received independent legal advice and voluntarily made the admissions therein contained – acted contrary to Alberta securities laws and the public interest in most (but not all) respects alleged by Staff.

[3] Staff withdrew an allegation of fraud against TV, and urged that we not make a finding concerning one admitted contravention by Chandran because it had not been alleged. The parties concurred that we should proceed to make findings concerning the merits of the allegations (apart from the withdrawn allegation) and, were we to find misconduct, concerning appropriate orders. To that end, the Statement set out the parties' joint recommendation concerning appropriate orders.

[4] In the result, we concur with the parties that the facts and circumstances set out in the Statement establish the misconduct therein admitted (but for the contravention that had not been alleged, and one other alleged contravention discussed below), and that the orders jointly recommended by the parties (with one adjustment) are appropriate. Accordingly, we are ordering an array of permanent bans against all of the Respondents, a $400,000 administrative penalty against Chandran, and the recovery of $60,000 in costs.

II. BACKGROUND

[5] We summarize here key aspects of the factual background, derived primarily from the Statement (which we accept as accurate) as supplemented by certain submissions of counsel at the hearing (which we similarly accept as accurate).

A. The Respondents

[6] Chandran resided in Calgary. He used the Chandran Media name to carry on business in Alberta "rais[ing] capital for television, video and web-based products". He was at all material times the guiding mind of TV and Holdings.

[7] TV was an Alberta corporation that "raised capital for, and was engaged in[,] the media production business" from offices in Calgary, Vancouver, Toronto, Las Vegas and Los Angeles. Chandran was its "founder, president, sole director and shareholder".

[8] Holdings was a Nevada corporation whose activities were described in the same terms as TV's, and which carried on business from offices in Calgary and Las Vegas. Chandran was president and a director of Holdings.

[9] We accept submissions of counsel to the effect that the Respondents collectively operated a real, and not insubstantial, media-production business employing (at its peak) up to 100 people (or more) on a payroll exceeding $5 million over two years, and producing television and video programs from its own production facilities. However, the business failed (Respondents' counsel attributed this essentially to the economic downturn of 2008-2009, something we cannot confirm), and the Respondents have wound down business operations, at least in Canada.

B. Capital-Raising Activities

[10] "From about March 1, 2007 to about June 30, 2009" the Respondents raised a considerable sum from "at least" 210 investors, mostly Alberta residents. The total amount raised was approximately $39 million, according to the Statement; according to Respondents' counsel, even were a deduction to be made for sales possibly made outside the limitation period under the *Securities Act* (Alberta) (the **Act**) (a hypothetical issue concerning which we make no finding) the total would have been approximately $30 million. Staff counsel indicated that investors invested in widely varying amounts, the largest being in the millions of dollars.

[11] The money was raised by selling shares (presumably of either or both TV and Holdings, the two Respondents that were corporations) or entering into arrangements identified variously as loan agreements (either TV or Chandran Media apparently as borrower) or (the following all apparently involving TV) as "Factoring", "Production Partner", "Managed Licensee" or "Event Sponsorship" agreements or "Episodic Production Debentures". Different terms attached to each, but seemingly very attractive returns were a common feature: for example, certain of the "Production Partner" agreements were to deliver "returns of between 800% [and] 1000% within a year"; 30-day to 3-month loan agreements offered returns of 50% to 20 times the amount invested; "Managed Licensee" agreements were to pay returns of 720% to 1,320% over 39- to 51-month terms; and the debentures were to pay an annual return of 100%.

[12] All of these arrangements were admitted to constitute "securities". This is consistent with the term as defined in section 1(ggg) of the Act, and we so find. The shares too were securities, as defined in section 1(ggg)(v); we so find. Each of the sales of such securities was admitted to be a "trade" and a "distribution". This also is consistent with the respective definitions in sections 1(jjj) and (p) of the Act, and we so find.

[13] Neither TV nor Holdings was ever registered under the Act. We infer the same about Chandran; although the Statement was not explicit on this point, such an admission was made in respect of his Chandran Media business name, and it is implicit in his admission concerning trading without registration.

[14] No preliminary or final prospectus was ever filed or receipted for TV, Holdings or Chandran Media.

[15] It was admitted, and we find, that exemptions (in context, registration exemptions, prospectus exemptions, or both) "were not available for most of the trades" in TV, Holdings and Chandran Media securities.

[16] The trade and distribution of any mentioned share of TV or Holdings was the trade and distribution of the respective corporate entity; we so find. To the extent that a Respondent was

the direct party to any of the mentioned arrangements – this appears from the descriptions in the Statement to apply clearly to TV and to Chandran using the Chandran Media business name – it is apparent, and we find, that the trade and distribution of the associated security was that Respondent's trade and distribution. Moreover, the Act defines a trade (and hence, by extension, also a trade that is a distribution) to include acts in furtherance of trades. Staff counsel submitted (without objection or contradiction) that Chandran "was very much hands-on in terms of raising funds from investors". Whatever the precise role of each Respondent in respect of any particular transaction, we are satisfied – and we find – that each Respondent engaged in some fashion in at least some of the mentioned trades and distributions; this is implicit in the admissions of illegal trading and distributions by all Respondents.

[17] TV filed reports of exemption distribution (**Reports**) under section 6.1 of National Instrument 45-106 *Prospectus and Registration Exemptions* (**NI 45-106**), but only in respect of some ($5,353,650) of its distributions. It was further admitted that Holdings and Chandran Media filed no Reports.

[18] TV and Holdings in 2010 entered into agreements "with many investors", "acknowledg[ing] the amounts outstanding to investors" and representing that TV and Holdings "would refund the purchase price paid by investors" for TV securities.

[19] It was admitted, and we find, that "Chandran authorized, permitted or acquiesced in all of the above-described conduct" of TV, Holdings and Chandran Media.

III. THE MISCONDUCT

A. The Extant Allegations

[20] Staff alleged that each of the Respondents breached sections 75(1)(a) (as it was in the relevant period) and 110 of the Act by trading in securities without registration and distributing securities without a prospectus or prospectus exemptions, and breached section 6.1 of NI 45-106 by failing to file Reports, and that the conduct giving rise to these breaches was also contrary to the public interest. Staff further alleged that TV and Holdings breached section 92(1)(b) of the Act and acted contrary to the public interest by offering investors a refund of the purchase price paid for TV securities.

B. The Admissions

[21] In the Statement, the Respondents each admitted the respective allegations against them. (Chandran in the Statement also admitted a breach that had not been alleged against him; we disregard that admission.)

C. Analysis

1. Illegal Trades and Distributions

[22] The factual admissions in the Statement, summarized above, suffice to demonstrate that most of the mentioned trades and distributions were illegal – without registration and a prospectus, and without exemptions. The factual admissions also suffice to demonstrate that each Respondent traded and distributed securities without registration and a prospectus, and in at least some cases without exemptions. This establishes, and we find (consistent with their admissions) that each Respondent breached sections 75(1)(a) and 110 of the Act.

[23] As has often been observed by the ASC, the registration and prospectus requirements of the Act are cornerstones of our regulatory regime, key to delivering the regulatory objectives of protecting investors and fostering fairness and efficiency in our capital market. The registration requirement is designed to protect investors through the involvement of persons knowledgeable about the capital market, the securities in question, and an investor's circumstances, investment objectives and risk tolerances. The prospectus requirement is designed to assist investors in making informed investment decisions. Breaches of either or both of these fundamental requirements expose investors to inappropriate investments and unforeseen risks, and jeopardize the fair operation of (and confidence in) the capital market. That jeopardy to confidence can, by extension, impair the ability of law-abiding businesses to raise capital economically. We therefore find (consistent with their admissions) that the conduct of each Respondent that breached sections 75(1)(a) and 110 of the Act was also contrary to the public interest, and seriously so.

2. Filing Failures

[24] Under section 6.1 of NI 45-106 an issuer is required to file Reports for distributions made in reliance on several exemptions under that instrument. While it is arguable that no such filing is required where no exemption was relied upon, the Statement clearly indicated that there was some such reliance, and that exemptions were available for certain of the mentioned trades. We accept, as admitted, that each of TV, Holdings and Chandran Media failed to file Reports, and we therefore find (consistent with their admissions) that they each thereby breached this provision. Chandran admitted that he too failed to file Reports, but given the distinction made in the notice of hearing and the Statement between Chandran in two capacities (using the Chandran Media business name, and otherwise), and it not being apparent that the reporting obligation extends beyond an issuer (seemingly applicable to him only when using the Chandran Media name), this particular breach seems inapplicable to Chandran except when using the Chandran Media business name. (That said, through his admission of authorizing, permitting or acquiescing, Chandran bore responsibility for the filing failures.)

[25] Reports assist Staff in monitoring activity in our capital market, in detecting possible improprieties, and in developing refinements to the rules as appropriate. The failure to provide Reports can obviously impede Staff in these functions. Accordingly, we find (consistent with admissions made) that the filing failures were also contrary to the public interest.

3. Prohibited Refund Representation

[26] Section 92(1)(b) of the Act states:

> Unless otherwise permitted by the Executive Director, no person or company shall represent that the person or company or any other person or company will . . .
>
> (b) refund any purchase price of a security, . . .

[27] We accept, as admitted, that TV and Holdings represented that they would refund the purchase price paid by many investors for TV securities. This falls squarely within the scope of section 92(1)(b) of the Act. It was confirmed in submissions that no permission for the representation was given by the ASC's Executive Director. The elements of the prohibition are thus established. We therefore find (consistent with their admissions) that TV and Holdings breached this provision of the Act.

[28] It may be inferred that the purpose of the section 92(1)(b) prohibition is to protect investors by averting the raising of false expectations of purchase price reimbursement, and the underestimation of actual investment risk. Exposed to a prohibited representation of this type, investors might foreseeably be lured into making inappropriate investment decisions (to buy or continue holding a security), or deterred from taking action to enforce rights under an existing investment. Financial harm is a possible outcome. We therefore find (consistent with admissions and submissions made) that TV and Holdings, in making the prohibited representation, also acted contrary to the public interest.

IV. APPROPRIATE ORDERS

A. Sanctions and Cost-recovery Orders Generally

[29] An ASC hearing panel is authorized to impose both sanctions (under sections 198 and 199 of the Act) and orders for recovery of investigation and hearing costs (under section 202). The purposes of, and considerations relevant to, the two types of order differ.

[30] Our sanctioning authority is protective, not punitive; it is to be exercised prospectively in the public interest (*Committee for the Equal Treatment of Asbestos Minority Shareholders v. Ontario (Securities Commission)*, 2001 SCC 37 at paras. 39-45). The determination of whether, and if so what, sanctions are appropriate in a particular case typically involves an assessment of the need to deter a particular respondent from repeating misconduct (specific deterrence), to deter others who might be minded to emulate the respondent's misconduct (general deterrence; see *Re Cartaway Resources Corp.*, 2004 SCC 26 at paras. 52-62; and *Re Podorieszach*, 2004 ABASC 567 at para. 17), or both. Pertinent sanctioning factors (as outlined in *Re Hagerty*, 2014 ABASC 348 at para. 11) may include:

- the seriousness of the respondent's misconduct and the respondent's recognition of that;
- the respondent's characteristics and history, such as capital-market experience and any prior sanctions;
- any benefit sought or obtained by the respondent, and any harm to which the capital market generally or investors were exposed by the misconduct;
- the risk to investors and the capital market if the respondent were to go unsanctioned or if others were to emulate the respondent's misconduct; and
- any mitigating considerations.

[31] Concerning cost-recovery orders, the ASC said in *Re Marcotte*, 2011 ABASC 287 (at para. 20):

> A costs order is not a sanction, but rather a means of recovering, from a respondent found to have engaged in capital-market misconduct, certain investigation and hearing costs that would otherwise be borne indirectly by law-abiding market participants whose fees fund the [ASC's] operations. It is generally appropriate that a respondent pay at least some portion of the relevant costs. Determination of the appropriate portion may involve assessing parties' contributions to the efficient conduct and ultimate resolution of the proceeding.

B. Joint Recommendation

[32] The Statement set out the parties' joint recommendation concerning appropriate orders, which we here summarize.

[33] The parties proposed that we issue an array of permanent bans against each of the Respondents – specifically, against Chandran, trading and use-of-exemptions (with a limited carve-out for both), director-and-officer, advising and securities-market management and consulting bans; and against TV, Holdings and Chandran Media, trading and use-of-exemptions, registrant, investment fund manager, promoter and securities-market management and consulting bans. In addition, the parties proposed a permanent ban on all trading in or purchasing of securities of TV, Holdings and Chandran Media, and a $400,000 administrative penalty against Chandran.

[34] The parties also proposed that the Respondents jointly and severally pay a total of $60,000 of the investigation and hearing costs.

C. Sanctioning

1. Factors Considered

(a) Seriousness and Recognition of Seriousness

[35] We commented above on the seriousness of the misconduct of each of the Respondents. Underscoring its seriousness was the scale of the illegal capital-raising. As noted, the mentioned trades and distributions raised at least approximately $30 million, mostly from Alberta residents. Most of these trades and distributions were in breach of Alberta securities laws, exposing many investors to the risk of harm and, indeed, to actual financial harm. All of this and the rapidity and seeming ease with which the capital-raising was effected call for significant sanction providing substantial specific and general deterrence.

[36] We were urged by Respondents' counsel to infer – from their having entering into the Statement and from the admissions and proposed sanctions therein – that the Respondents recognize the seriousness of their misconduct. In this regard, Staff counsel noted Chandran's varied cooperation with Staff.

[37] In the circumstances, we are persuaded that the Respondents indeed recognize the seriousness of their misconduct. We consider that this somewhat diminishes, but in no way eliminates, the extent of specific deterrence required. We do not consider that this affects the extent of general deterrence required.

(b) The Respondents' Characteristics and History

[38] TV and Holdings have not been previously sanctioned by the ASC. On its face, this might appear to argue for moderation in sanction against them. That said, because they operated through their guiding mind Chandran, it is to him that we primarily look in applying this factor to them.

[39] Chandran is relatively young. He also has not been previously sanctioned by the ASC, but he was subject to a 2006 order of California regulatory authorities "to desist and refrain from offering or selling securities" in that jurisdiction.

[40] Staff counsel assigned some importance to the California order. Respondents' counsel portrayed the California order as a response to some capital-raising Chandran had undertaken for an unrelated venture, and endeavoured to distinguish the California order from the types of sanction under consideration here.

[41] We consider that for present purposes the importance of the California order, however it might be characterized, lies in the simple fact that it was issued against Chandran in response to capital-raising activity. This surely must have been a memorable occurrence for such a young entrepreneur – an occurrence that could not but have alerted him to the potential application of securities laws or a regulatory framework to the raising of capital from investors. That is, Chandran was put on notice in a very clear and direct way of the need, when contemplating the raising of capital from investors anywhere, first to learn, then to understand and adhere to, whatever laws might apply.

[42] Respondents' counsel told us that Chandran erroneously believed the capital-raising arrangements at issue here did not involve securities, not having "when he . . . set up his business" the benefit of counsel (although, as Staff counsel noted, at some point and for a time Chandran did engage counsel to assist in bringing some of what had been done into compliance). This, however, is incompatible with the clear and direct notice on which the California order put Chandran. Subsequently proceeding as he did, to raise a considerable sum without ensuring (through counsel or otherwise) that he was acting legally, was not justifiable. This point does not assist any of the Respondents.

[43] Overall, this factor does not argue for moderation in sanction against any of the Respondents. Instead, it argues for sanction delivering greater specific deterrence to Chandran and thus all other Respondents.

(c) Benefit and Harm from Misconduct

[44] We do not know the circumstances surrounding the prohibited representation. It is conceivable that it was intended to, and perhaps did, defer some investor demands for repayment, and in that sense conferred at least a temporary benefit on some or all of TV, Holdings and Chandran. Given the paucity of evidence on this point, though, we draw no conclusion.

[45] That said, there can be no doubt that Chandran Media and the corporate Respondents TV and Holdings intended to benefit, and did, from the money they raised by selling their respective securities in the illegal trades and distributions. Nor, indeed, can there be doubt that Chandran (doing business as Chandran Media and otherwise) intended to benefit, and did, with or through Chandran Media and the two corporate Respondents. The real, and not insubstantial, media-production business operated by the Respondents was funded in part, seemingly in great part, by the money illegally raised. Respondents' counsel told us that Chandran's salary was approximately $150,000 annually. This considerable benefit to the Respondents calls for significant sanction providing specific and general deterrence.

[46] As for harm done, we understand from the parties that, while some investors received returns and were repaid their principal, most of the investors have lost their invested money. The harm done was not limited to the financial harm caused particular investors. Any loss of

confidence in the Alberta capital market by those investors and others who learn of their plight jeopardizes the integrity of the capital market as a whole. This considerable harm also calls for significant sanction providing specific and general deterrence.

(d) Risk Posed

[47] As noted, the Respondents raised a considerable sum through the mentioned trades and distributions, most of which were illegal. They were able to do so quickly and with seeming ease. From this we perceive a distinct risk of a recurrence of the misconduct found here, unless strong protective measures are imposed to deliver both specific and general deterrence.

[48] We were told that the Respondents' business operations in Canada have been wound down, and that Chandran has moved from Alberta. Even accepting this to be true, it does little or nothing to ameliorate the risk pertinent to specific deterrence. Corporations can be revived, businesses can be relaunched and individuals can relocate – and the Respondents have demonstrated an ability to operate in multiple jurisdictions and across international borders. More compelling in this regard are the mitigating considerations discussed elsewhere in this decision.

[49] On balance, this factor argues for significant sanction delivering substantial measures of specific and general deterrence.

(e) Mitigating Considerations

[50] In addition to the mitigating consideration (recognition of seriousness) discussed above, it was common ground, and we accept, that this case did not involve a sham. As noted, the Respondents operated a real business of not inconsiderable scale, employed many and produced actual products (in the form of television and video programs). This business was funded in part by the money illegally raised. While none of this is mitigating in the sense of reducing or offsetting the harm done, it does clearly distinguish this case from others in which money was pilfered on false pretenses, with sham businesses and gratuitous enrichment of wrongdoers. For that reason, we consider that, although the need for protective orders delivering both specific and general deterrence is not abrogated, the extent of any direct monetary sanction appropriate here can be markedly less than in such other, more egregious cases.

[51] Staff counsel suggested that there was no reasonable prospect of monetary recovery for investors. However, Respondents' counsel offered hope, referring to possible realization on shares of an issuer not a party to this proceeding, shares apparently owned by Chandran and placed in trust to assist investors (subject among other things to the terms, or the variation, of orders we might make here). In our view, this vague and highly contingent prospect is not mitigating.

[52] In sum, there are two mitigating considerations that somewhat ameliorate the risk pertinent to specific deterrence.

(f) Conclusion on Factors

[53] This, therefore, is a case in which the public interest requires significant sanction against all of the Respondents, sufficient in nature and extent to deliver protection from a recurrence by

the Respondents of their misconduct (specific deterrence) and from any third party who might be inclined to emulate it (general deterrence).

2. Appropriate Sanctions

[54] We consider that the necessary specific deterrence should be delivered through market-access bans of broad scope and permanent duration against each of the Respondents – essentially, keeping them out of the Alberta capital market in capacities that could otherwise permit a recurrence of their misconduct. Such permanent bans would also deliver the requisite general deterrence by alerting others to the very serious consequences they might face from similar misconduct.

[55] We noted that the parties proposed a limited carve-out to any trading and use-of-exemptions bans against Chandran. This would permit him, essentially, to continue trading securities but only (i) through a registrant who has been informed of this proceeding, and (ii) in tax-favoured accounts for the benefit of himself or members of his immediate family. Trading (or, indeed, purchasing) of that sort was not at issue in this case, and we do not consider that such a carve-out here would undermine the protective effect of our orders. We take further comfort from the fact that any such trading (or purchasing) would be subject to involvement, or oversight, by a gatekeeper in the form of the mentioned registrant.

[56] Bans alone, though, would fall short of what is required here. As in other cases – and particularly given the scale of the illegal capital-raising here – we consider that the appropriate messages of specific and general deterrence must include a substantial direct monetary order in the form of an administrative penalty. Given his central role in the misconduct, we think it would suffice were such an order imposed only against Chandran.

[57] In the circumstances, we consider that nothing less than the amount jointly proposed ($400,000) would be proportionate to Chandran's misconduct or would provide the necessary deterrence in the public interest. In so saying, we note that this falls well short of the maximum administrative penalty under the Act ($1 million per contravention) and below the amount of such orders in some more egregious cases – properly so, given the circumstances and the mitigating considerations discussed above. Moreover, given what we were told about Chandran's gainful employment and that Chandran himself was one of those proposing the $400,000 quantum through the Statement, it cannot be considered that the amount is disproportionate to his individual circumstances (*Walton v. Alberta (Securities Commission)*, 2014 ABCA 273).

[58] Staff counsel cited four ASC decisions as providing sanctioning guidance. Respondents' counsel pointed us to sanctions set out in a settlement reached between Staff and respondents, suggesting that this proceeding is more akin to a settlement than a contested hearing. Mindful not only that sanctioning is a circumstance-specific task but also that sanctioning must be proportionate (to the misconduct and the individual circumstances of the transgressor), and aware that not all considerations underlying a settlement may be apparent to a non-party (a factor diminishing the precedential value of a settlement), we consider the outcomes of the other matters cited to be generally supportive of the sanctions jointly proposed in the Statement.

[59] We note that the term "exchange contracts" in section 198(1)(e.1) of the Act was replaced (effective 31 October 2014) by "derivatives" – a change we read into the parties' joint recommendation.

[60] In the result, we find that the array of sanctions jointly proposed in the Statement would, in nature and extent (but adjusted to reflect the noted legislative change), appropriately serve the public interest.

D. Costs Considerations

[61] The Statement declared that the Respondents cooperated with Staff during the investigation, and that the Statement itself "has saved the [ASC] the time and expense associated with a contested hearing under the Act".

[62] We accept these declarations, and consider that they indeed warrant consideration in favour of the Respondents, specifically a reduction in the quantum of costs reasonably recoverable from them. Without evidence of the total investigation and hearing costs incurred, we infer from the Statement that they considerably exceeded $60,000, and that the recommended amount reflects an appropriate reduction from the total.

[63] We are also satisfied that the misconduct of the Respondents was sufficiently interlinked that imposing joint-and-several responsibility for such cost-recovery among them, as proposed, would be reasonable.

[64] We conclude that cost-recovery on the terms jointly recommended by the parties is appropriate, and we will make an order accordingly.

V. ORDERS

[65] For the reasons given, we order in the public interest that:

(a) in respect of Chandran:

- under sections 198(1)(b) and (c) of the Act, he must cease trading in or purchasing securities, and all of the exemptions contained in Alberta securities laws do not apply to him, permanently, except that these orders do not preclude him from trading in or purchasing securities through a registrant (who has first been given copies of this decision and the Statement) in registered retirement savings plans, registered retirement income funds, registered education savings plans or tax-free savings accounts (as defined in the *Income Tax Act* (Canada)) or in comparable plans, funds or accounts under United States income tax laws, operated in each case for the benefit of himself or one or more members of his immediate family;

- under sections 198(1)(d) and (e), he must resign all positions he holds as a director or officer of any issuer, registrant or investment fund manager, and he is prohibited from becoming or acting as a director or officer (or both) of any issuer, registrant or investment fund manager, permanently;

- under section 198(1)(e.1), he is prohibited from advising in securities or derivatives, permanently;

- under section 198(1)(e.3), he is prohibited from acting in a management or consultative capacity in connection with activities in the securities market, permanently; and

- under section 199, he must pay an administrative penalty of $400,000; and

(b) in respect of TV, Holdings, and Chandran Media:

- under section 198(1)(a), all trading in or purchasing of securities of any of them must cease, permanently;

- under sections 198(1)(b) and (c), they must each cease trading in or purchasing securities, and all of the exemptions contained in Alberta securities laws do not apply to them, permanently; and

- under sections 198(1)(e.2) and (e.3), they are each prohibited from becoming or acting as a registrant, investment fund manager or promoter, and from acting in a management or consultative capacity in connection with activities in the securities market, permanently.

[66] We further order under section 202 of the Act that the Respondents must pay, jointly and severally, $60,000 of the costs of the investigation and hearing.

[67] This proceeding is concluded.

19 May 2015

For the Commission:

"original signed by"
Stephen Murison

"original signed by"
Ian Beddis

"original signed by"
Ann Rooney, FCA