



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 -**

**SUNIL TULSIANI, TULSIANI INVESTMENTS INC.,  
PRIVATE INVESTMENT CLUB INC., and GULFLAND HOLDINGS LLC**

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

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

**I. THE RESPONDENTS**

1. Sunil Tulsiani (“Tulsiani”) is a resident of Brampton, Ontario and has never been registered to trade in securities under the *Securities Act* (the “Act”).
2. Tulsiani Investments Inc. (“Tulsiani Investments”) is a company incorporated pursuant to the laws of Ontario, with its head office in Brampton, Ontario. Tulsiani is the president and a director of Tulsiani Investments.
3. Tulsiani Investments is not registered to trade in securities under the Act and has never filed a prospectus with the Ontario Securities Commission (the “Commission”).
4. Private Investment Club Inc. (“PIC”) is a company incorporated pursuant to the laws of Ontario, with its head office in Brampton, Ontario. Tulsiani is the president and a director of PIC.
5. PIC is not registered to trade in securities under the Act and has never filed a prospectus with the Commission.

6. Gulfland Holdings LLC, also known as Golfland Holdings LLC, (“Gulfland”) is a company incorporated pursuant to the laws of the State of Florida, USA.

7. Gulfland is not registered to trade in securities under the Act and has never filed a prospectus with the Commission.

## **II. OVERVIEW**

8. It is alleged that the Respondents distributed securities in Ontario without having filed a prospectus, while none of the Respondents were registered to trade in securities and while Tulsiani and Tulsiani Investments were prohibited from trading by an order of the Commission. Accordingly, it is alleged that the Respondents acted in breach of Ontario securities law and contrary to the public interest.

## **III. ALLEGATIONS**

9. On June 26, 2009, in the matter of Tulsiani Investments Inc. and Sunil Tulsiani, the Commission ordered:

(a) pursuant to clause 2 of subsection 127(1) of the Act that all trading by the Respondents shall cease.

(b) pursuant to clause 2 of subsection 127(1) of the Act that all trading in securities of the Respondent, Tulsiani Investments Inc., shall cease.

(c) pursuant to clause 3 of subsection 127(1) of the Act that the exemptions contained in Ontario securities law do not apply to the Respondents.

(d) pursuant to subsection 127(6) of the Act this order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by the Commission.

10. The foregoing order (the "Cease Trade Order") was subsequently extended, including the same prohibitions, and remains in effect as of the date of these allegations.

11. In August and September, 2009, through Tulsiani Investments and PIC, Tulsiani solicited Kelly Homewood (“Homewood”) to enter into an investment contract to purchase a 50% interest in a residential real estate investment in the State of Ohio (the "Ohio Deal").

12. Tulsiani's solicitation of Homewood to participate in the Ohio Deal included meeting with her prior to September 22, 2009, assisting her in completing a document entitled "Investor Agreement", and giving her detailed instructions on how to wire \$12,500 (USD) to a lawyer in the State of Florida to purchase an interest in the Ohio Deal.

13. Pursuant to the Investor Agreement, Gulfland was to select, purchase, rehabilitate and manage a residential real estate property in which Homewood would own a 50% interest. Under the Investor Agreement, Homewood was to be entitled to share in the profits generated by the sale of the property, as well as profits generated by rental income prior to sale and any mortgage taken back on the sale.

14. In a period spanning August through December, 2009, Tulsiani, through Tulsiani Investments and PIC, solicited Peter Ticknovich (“Ticknovich”) to enter into an investment contract to purchase a 50% interest in a residential real estate property in the Ohio Deal. Tulsiani and representatives of Tulsiani Investments and Private Investment Club contacted Ticknovich by telephone and email to solicit him to invest in the Ohio Deal. Tulsiani met with Ticknovich and assisted him in completing the Investor Agreement. Ticknovich’s investment in the Ohio Deal was to be on the same terms as Homewood’s and Tulsiani provided Ticknovich with the same payment instructions.

15. The Ohio Deal security has never been qualified by a prospectus filed with the Commission.

**IV. CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND THE PUBLIC INTEREST**

16. The Respondents have engaged in acts in furtherance of the trading and distribution of securities in Ontario, contrary to sections 25 and 53 of the Act.

17. Tulsiani and Tulsiani Investments have acted contrary to the Cease Trade Order.

18. Tulsiani, as an officer and director of both Tulsiani Investments and PIC, authorized, permitted or acquiesced in the conduct of those companies, contrary to Ontario securities law and contrary to the public interest.

19. The conduct of the Respondents contravened Ontario securities law and is contrary to the public interest.

20. Staff seek enforcement orders under section 127 of the Act and costs under s. 127.1 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 27<sup>th</sup> day of May, 2010.