

FP Canada Standards Council™

and

Sanjiv Katyal

STATEMENT OF ALLEGATIONS

THE RESPONDENT

1. Sanjiv Katyal (“Mr. Katyal” or the “Respondent”) was certified by the Financial Planning Standards Council®, now FP Canada™, as a CERTIFIED FINANCIAL PLANNER® professional in August 2010. Mr. Katyal’s certification remained in good standing until his certification was suspended on February 17, 2023 by a Hearing Panel, as discussed further below. Mr. Katyal’s certification was suspended until “such time as the Standards Council’s Investigation into his conduct and any resulting disciplinary proceedings are complete or Mr. Katyal cancels his certification, whichever is first”.¹
2. As Mr. Katyal chose not to apply to renew his certification for 2023/2024, his certification was administratively cancelled effective March 31, 2023. Mr. Katyal has undertaken not to apply for reinstatement pending the outcome of the disciplinary hearing proceedings. Mr. Katyal does not have a prior discipline history with the FP Canada Standards Council™ (the “Standards Council”).
3. Between in or around November 2009 until May 2013, Mr. Katyal was employed as a Branch Head at National Bank, following which he was a Financial Planner at National Bank until 2015. Mr. Katyal was then employed by CIBC in Ontario as a General Manager from January 2016 until November 2018. He then returned to National Bank as a Mortgage Development Manager in January 2019. Mr. Katyal is currently unemployed.
4. Mr. Katyal resides in Oakville, Ontario.

HISTORY OF THE PROCEEDINGS

5. In January 2022, the Ontario Securities Commission (“OSC”) published a news release (the “News Release”) announcing that on December 14, 2021, it had brought quasi-criminal charges against Mr. Katyal of fraud, trading without registration, as well as

¹ [2023-02-17 FP Canada Standards Council and Sanjiv Katyal Motion Decision and Reasons](#)

advising in securities without registration, contrary to the Ontario *Securities Act* (the “*Securities Act*”). The Standards Council subsequently became aware of the News Release.

6. On March 20, 2022, when completing his 2022/2023 CFP renewal application, Mr. Katyal reported that he had been charged under the *Securities Act*.
7. On November 30, 2022, the Standards Council initiated an independent investigation into Mr. Katyal’s conduct.
8. On February 17, 2023, in accordance with the “Policy on the Disclosure of Investigation and Interim Suspensions” set out in the *FP Canada Standards Council Disciplinary Rules and Procedures* (DRP), the Hearing Panel approved the Standard Council’s request to suspend Mr. Katyal’s certification on an interim basis and publicize the ongoing investigation as well as his interim suspension.
9. On June 6, 2023, the Conduct Review Panel (“CRP”) convened and referred this matter to a Hearing Panel.

Advising Bank Clients to Invest with a Third Party

10. Mr. Katyal had been successfully investing (on his daughter’s behalf) with Mr. Mujahid Ali Syed (“Mr. Syed”) since April 2015. While employed at National Bank, and then at CIBC, Mr. Katyal engaged three (3) bank clients (the “Bank Clients”) in conversation and told them about investments he had made with Mr. Syed.
11. Mr. Katyal was not registered to advise with respect to investing in, buying or selling securities with the Ontario Securities Commission (“OSC”). Notwithstanding this, the Bank Clients followed Mr. Katyal’s advice and invested a total of \$1,430,000 with Mr. Syed.
12. The funds were provided to Mr. Syed on the understanding that he would invest the funds and generate significant returns. Instead, Mr. Syed deposited the funds into accounts held by him or his companies, co-mingled and then used to repay investors (including Mr. Katyal) and for Mr. Syed’s personal use.

Paying a Bank Client not to Complain

13. In or about February 2017, when one of the Bank Clients realized that he had been the victim of a fraudulent scheme, he confronted Mr. Katyal. In response, in April 2018, Mr. Katyal paid him \$10,000 in cash not to complain to the bank and then made additional monthly cash payments of \$1,500 to the Bank Client for six (6) months, from April through September 2018.

Related Civil Proceedings

14. In November 2018, a civil proceeding was commenced against Mr. Katyal (and others) by one of the Bank Clients and his son in connection with the above-noted conduct. In August 2019, a similar second civil proceeding was commenced by the same Bank Client against Mr. Katyal (and others) (collectively, the “Two Civil Proceedings”).
15. In November 2021, Mr. Katyal became aware of the Two Civil Proceedings:

Presumptive Bar to Certification

16. On March 20, 2022, Mr. Katyal reported that he had been charged under the *Securities Act* when completing his 2022/2023 CFP renewal application.
17. On March 11, 2023, Mr. Katyal pled guilty to the advising without registration charge contrary to section 25(3) of the *Securities Act* between June 1, 2015 and January 31, 2018.²
18. Pleading guilty to a quasi-criminal offence triggered a presumptive bar to Mr. Katyal’s reinstated certification by FP Canada.

NOTICE

19. Further to the direction of the CRP, and in accordance with Article 5.1 of the DRP, I hereby give notice of the Standards Council’s request that a hearing date be set with respect to the matter identified as: *FP Canada Standards Council™ and Sanjiv Katyal*.
20. The Standards Council requests that the hearing be held in writing.

APPLICABLE STANDARDS

Mr. Katyal’s conduct occurred between June 2015 and September 2018, when he advised the Bank Clients to invest with Mr. Syed and when he paid a Bank Client to not file a complaint with the bank; and commencing in November 2021 and continuing to March 2022, when he failed to report to the Standards Council, within 15 days as required, the quasi-criminal charges and the Two Civil Proceedings. In addition, a presumptive bar relating to the quasi-criminal charge was triggered in March 2023. As such, the *Standards of Professional Responsibility* in effect between June 2015 and December 2018; between July 2021 and April 2022; and those currently in effect are applicable. The applicable Principles and Rules of Conduct of the *Standards of Professional Responsibility* are set out at **Appendix A**.

² The sentencing hearing is scheduled for September 28, 2023 and Mr. Katyal’s counsel advises that the OSC will withdraw the fraud and trading without registration allegations at that hearing.

ALLEGATIONS

The Standards Council makes the following allegations against the Respondent:

1. The Respondent is presumptively barred from reinstated certification with FP Canada as a result of pleading guilty, on March 11, 2023, to advising without registration, contrary to section 25(3) of the *Securities Act*.
2. In addition and in the alternative, between June 2015 and January 2018, the Respondent referred three (3) Bank Clients to a third party who was (albeit unbeknownst to him) engaged in a fraudulent scheme, and thereby associated with an individual engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation and failed to be fair and open in all professional relationships, contrary to Rule 1 and Principle 5 of the *Standards of Professional Responsibility* in force between June 2015 and December 2018.
3. In addition and in the alternative, between April and September 2018, the Respondent made cash payments to a Bank Client in exchange for his agreement not to file a complaint with the Respondent's employer, and thereby failed to act with integrity and professionalism, and engaged in conduct that reflects adversely on his integrity or fitness as an FP Canada certificant and the certification marks, contrary to Principles 2 and 8 and Rule 2 of the *Standards of Professional Responsibility* in force between June 2015 and December 2018;
4. Commencing in November 2021 and continuing to March 2022, the Respondent failed to advise FP Canada, in writing, within 15 days as required, that that there was a change to his Legal Declaration made in his CFP® Renewal Form for 2021/2022 in that he was named in the Two Civil Proceedings, contrary to Rule 31 of the *Standards of Professional Responsibility* in force between July 2021 and April 2022; and
5. Commencing in December 2021 and continuing to March, 2022, the Respondent failed to advise FP Canada, in writing, within 15 days as required, that that there was a change to his Legal Declaration made in his CFP® Renewal Form for 2021/2022 in that he had been charged with committing offences contrary to section 122(1)(c) of the *Securities Act*, contrary to Rule 31 of the *Standards of Professional Responsibility* in force between July 2021 and April 2022.

Dated: July 13, 2023



Tamara Center
Director, Professional Conduct and Enforcement
Counsel to FP Canada Standards Council™

APPENDIX A

Standards of Professional Responsibility for CFP Professionals and FPSC Level 1 Certificants in Financial Planning – June 2015 to December 2018

Principle 2: Integrity

A CFP professional shall always act with integrity.

Integrity means rigorous adherence to the moral rules and duties imposed by honesty and justice. Integrity requires the CFP professional to observe both the letter and the spirit of the Code.

Principle 5: Fairness

A CFP professional shall be fair and open in all professional relationships.

Fairness requires providing clients with what they should reasonably expect from a professional relationship, and includes honesty and disclosure of all relevant facts, including conflicts of interest.

Principle 8: Professionalism

A CFP professional shall act in a manner reflecting positively upon the profession.

Professionalism refers to conduct that inspires confidence and respect from clients and the community and embodies all of the other principles within the Code.

Rule 1: A CFP professional shall not engage in or associate with individuals engaged in conduct involving dishonesty, fraud, deceit or misrepresentation, or knowingly make a false or misleading statement to clients or any other parties.

Rule 2: A Certificant shall act in a manner reflecting positively upon the profession. Professionalism refers to conduct that inspires confidence and respect from clients and the community, and embodies all of the other principles within the Code of Ethics.

Standards of Professional Responsibility for CFP Professionals and QAFP Professionals – July 2021 to April 2022

Rule 31: A Certificant shall meet all FP Canada requirements for continued certification, including:

- a) Making full and accurate Legal Declarations when completing their Annual Renewal Form. Reportable items are outlined in the “Declarations and Professional Obligations” section of the certification renewal form and include

consumer proposals and bankruptcy; involvement in civil proceedings; criminal convictions; court orders; and investigations or decisions by professional bodies and regulatory/licensing bodies;

- b) Advising FP Canada, in writing, of any changes to prior Legal Declarations within 15 days of becoming aware of new information;
- c) Using the Certification Marks in compliance with the rules and regulations of FP Canada, as established and amended from time to time;
- d) Complying with all continuing education/professional development requirements set by FP Canada; and
- e) Notifying FP Canada of any changes to the Certificant's employment and/or contact information.

Standards of Professional Responsibility – May 2022 to Current

Bars to Certification: All new applicants, Certificants applying for renewed certification and Certificants applying to reinstate their certification with FP Canada must provide complete and accurate answers to the Declarations and Professional Obligations section of the New Applicant, Reinstatement Application or Certification Renewal Form. Any changes to an earlier Declaration must be reported to FP Canada within 15 days. Failure to disclose and/or the provision of inaccurate information is a breach of the Standards of Professional Responsibility.

Each of the below is a presumptive bar to new, continued or reinstated certification and may, following review, result in a finding that an individual should be denied new or continued certification by FP Canada.

- Currently in personal Bankruptcy proceedings or subject to a Consumer Proposal;
- Business Bankruptcy filed within the last five years;
- Revocation, ban or suspension of one (1) year or longer, of a professional licence or credential (e.g., real estate, lawyer, accountant) by the licencing/credentialing body, unless the suspension/revocation is administrative in nature;
- Revocation, ban or suspension of one (1) year or longer, of a financial services licence or registration (e.g. registered representative, broker/dealer, insurance, investment advisor), unless the suspension/revocation is administrative in nature;
- Being denied registration of a professional license or credential, or a financial services license or registration, by a licencing/credentialing body, unless the basis for the denial was administrative in nature;
- Pleading guilty, being found guilty, being convicted or found to have committed an Offence, as defined below;

- Being found in breach of an Order of a federal, superior or appellate court of a province or territory of Canada; or
- Being found by an FP Canada-Approved education provider or the FP Canada Institute™ to have breached their code of ethics, code of conduct or Student Handbook, and/or to have engaged in academic misconduct.

“Offence” means:

1. A summary or indictable offence under the Criminal Code (Canada); and/or
2. Any other Act of the Legislature or a province or territory of Canada or an Act of Parliament, which includes allegations relating to:
 - fraud;
 - theft;
 - corruption;
 - breach of trust;
 - forgery;
 - perjury;
 - other activities involving deceit or dishonesty for personal gain or advantage; and
 - the sale or trade of financial products and services.