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Notice of Hearing

**Peter Hans Simon, Sybille Anita Simon,
The Lord Nelson Apartments Limited Partnership
and RPF CA102 Limited Partnership**

Section 161 of the *Securities Act*, R.S.B.C. 1996, c. 418

[para 1]

A hearing will be held (the Hearing) to give Peter Hans Simon, Sybille Anita Simon, the Lord Nelson Apartments Limited Partnership, and RPF CA102 LP Limited Partnership (the Respondents) an opportunity to be heard, before the British Columbia Securities Commission (the Commission) determines whether it is the public interest to make the following orders:

1. pursuant to section 161(1)(b) of the *Securities Act*, R.S.B.C. 1996, c. 418, (the *Act*), that all persons cease trading in or purchasing the securities of the Lord Nelson Apartments Limited Partnership (the Lord Nelson LP) and the RPF CA102 LP Limited Partnership (the RPF CA102 LP);
2. pursuant to section 161(1)(c) of the *Act*, that any or all of the exemptions described in sections 44 to 47, 74, 75, 98 or 99 of the *Act* do not apply to the Respondents for a specified period of time;
3. pursuant to section 161(1)(d) of the *Act* that Peter Hans Simon and Sybille Anita Simon resign any position they hold as directors or officers of any issuer and be prohibited from becoming or acting as directors or officers of any issuer;
4. pursuant to section 161(1)(d) of the *Act* that Peter Hans Simon and Sybille Anita Simon be prohibited from engaging in investor relations activities;
5. pursuant to section 162 of the *Act* that the Respondents pay an administrative penalty;
6. pursuant to section 174 of the *Act* that the Respondents pay the prescribed fees or charges for the costs of or related to the Hearing; and
7. to make any other orders as the Commission may deem appropriate in the circumstances.

[para 2]

The Commission will be asked to consider the following facts and allegations in making its determinations.

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The Parties

1. Peter Hans Simon and Sybille Anita Simon, have never been registered in any capacity under the *Act*.
2. The Lord Nelson LP was formed under the laws of British Columbia by the filing of a Certificate of Limited Partnership with the Registrar of Companies on November 10, 1995.
3. The RPF CA102 LP was formed under the laws of British Columbia by the filing of a Certificate of Limited Partnership with the Registrar of Companies on July 10, 1997.
4. From on or about January 1997 to January 1998 (the Relevant Period), Peter Hans Simon and Sybille Anita Simon solicited and obtained funds from individuals in British Columbia to invest in:
 - (a) an investment opportunity through the Consulate General of the Federal Republic of Germany (the German Consulate Investment Scheme);
 - (b) the Lord Nelson LP; and
 - (c) the RPF CA102 LP.

German Consulate Investment Scheme

5. Peter Hans Simon and Sybille Anita Simon, among other things, represented to investors in the German Consulate Investment Scheme that through the Consulate General of the Federal Republic of Germany in Vancouver, their funds would be invested in a foreign currency investment scheme, yielding a guaranteed monthly rate of return.
6. None of the representations made by Peter Hans Simon and Sybille Anita Simon to the investors in the German Consulate Investment Scheme were true.

The Lord Nelson LP

7. The Lord Nelson LP offering memorandum dated January 6, 1997, among other things, represented that:

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- (a) The Lord Nelson LP was formed for the purpose of purchasing, owning and operating the Lord Nelson Apartments, located at 1058 Nelson Street, Vancouver, British Columbia (the Lord Nelson Property).
 - (b) Lord Nelson Apartments Inc., a company formed under the laws of British Columbia, was the general partner of the Lord Nelson LP. Peter Simon was the sole officer and director of Lord Nelson Apartments Inc.
 - (c) RRI Royal Retirement Investment Inc. was the promoter of the Lord Nelson LP. Peter Simon was the sole shareholder, officer, and director of RRI Royal Retirement Investment Inc.
 - (d) The Lord Nelson LP offered for sale 575 limited partnership units at a subscription price of \$5,000 per unit.
 - (e) The purchase of the Lord Nelson Property was scheduled to close on April 30, 1997, subject to a 60 day extension at the request of the general partner, Lord Nelson Apartments Inc.
 - (f) If the general partner, Lord Nelson Apartments Inc. had not received a subscription of 460 units by the closing date, then all subscription funds would be returned to investors.
8. Neither the Lord Nelson LP offering memorandum, nor any other documents related to the offering were ever filed with the Commission.
 9. The Lord Nelson LP never acquired the Lord Nelson Property and the subscription funds were not returned to investors.

The RPF CA102 LP

10. The RPF CA102 LP offering memorandum dated July 10, 1997, among other things, represented that:
 - (a) The RPF CA102 LP was formed for the purpose of purchasing, owning and operating the Ashnola Apartments, located at 203 East 6th Avenue, Vancouver, British Columbia (the Ashnola Property).
 - (b) RPF CA102 Management Inc., a British Columbia company, was the general partner of the RPF CA102 LP. Peter Simon was the sole officer and director of RPF CA102 Management Inc.

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- (c) RRI Royal Retirement Investment Inc. was the promoter of the RPF CA102 LP.
 - (d) The RPF CA102 LP offered for sale 480 limited partnership units at a subscription price of \$5,000 per unit.
 - (e) The purchase of the Ashnola Property was scheduled to close on August 15, 1997, subject to a 60 day extension at the request of the general partner, RPF CA102 Management Inc.
 - (f) If a subscription of 460 units had not been received by the general partner, RPF CA102 Management Inc., by the closing date, then all subscription funds would be returned to investors.
11. Neither the RPF CA102 LP offering memorandum, nor any other documents related to the offering were ever filed with the Commission.
12. The RPF CA102 LP never acquired the Ashnola Property and the subscription funds were never returned to investors.

Criminal Proceedings

13. On or about January 20, 2000, in relation to their activities in the German Consulate Investment Scheme and the RPF CA102 LP, Peter Hans Simon and Sybille Anita Simon pled guilty and were convicted in the Provincial Court of British Columbia of the following offences:
- (a) that between July 31, 1997 and January 9, 1998, they did by deceit, falsehood or other fraudulent means defraud residents of British Columbia of approximately \$74,777, contrary to section 38(1)(a) of the *Criminal Code*, R.S.C. 1985, c. C-46 (the *Criminal Code*); and
 - (b) that between July 31, 1997 and January 9, 1998, they did by deceit, falsehood or other fraudulent means defraud a resident of British Columbia of approximately \$25,000 contrary to section 380(1)(a) of the *Criminal Code*.

Alleged Violations of the Act

14. During the Relevant Period, Peter Hans Simon and Sybille Anita Simon did the following:

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- (a) traded in the securities of the German Consulate Investment Scheme, Lord Nelson LP and RPF CA102 with individuals in British Columbia without being registered in accordance with the requirements of the *Act*, and without an exemption from the registration requirements of the *Act*, contrary to section 34(1)(a) of the *Act*;
 - (b) acted as advisors to individuals in British Columbia without being registered in accordance with the requirements of the *Act*, and without an exemption from the registration requirements of the *Act*, contrary to section 34(1)(c) of the *Act*;
 - (c) distributed the securities of the German Consulate Investment Scheme, Lord Nelson LP and RPF CA102 LP to individuals in British Columbia without filing and obtaining a receipt for a prospectus and without an applicable exemption from the prospectus requirements of the *Act*, contrary to section 61(1) of the *Act*; and
 - (d) directly or indirectly, engaged in or participated in a transaction or series of transactions relating to a trade in or acquisition of a security when they knew or ought reasonably to have known that the transaction or series of transactions perpetrated a fraud on persons in British Columbia contrary to section 57 of the *Act*.
15. During the Relevant Period, the Lord Nelson LP distributed the securities of the Lord Nelson LP to individuals in British Columbia without filing and obtaining a receipt for a prospectus and without an applicable exemption from the prospectus requirements of the *Act*, contrary to section 61(1) of the *Act*.
16. During the Relevant Period, the RPF CA102 LP distributed the securities of the RPF CA102 LP to individuals in British Columbia without filing and obtaining a receipt for a prospectus and without an applicable exemption from the prospectus requirements of the *Act*, contrary to section 61(1) of the *Act*.

Public Interest

17. It would be contrary to the public interest, as set out in section 161 of the *Act*, to allow Peter Hans Simon and Sybille Anita Simon to continue to operate in the capital markets of British Columbia, because of their convictions and the conduct set out in this Notice of Hearing.

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[para 3]

The Respondents may be represented by counsel at the Hearing and may make representations and lead evidence. The Respondents are requested to advise the Commission of their intention to attend the Hearing by contacting the Secretary of the Commission at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: commsec@bcsc.bc.ca.

[para 4]

The Respondents are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on Wednesday, March 6, 2002, at 10:30 am, if they wish to be heard before the Commission fixes a date for the Hearing.

[para 5]

The Commission may make determinations in this matter if the Respondents or their counsel do not appear at the Hearing.

[para 6]

January 21, 2002.

Steve Wilson
Executive Director