

2005 BCSECCOM 704

Further Amended Notice of Hearing

Foresight Capital Corporation, ^, Gilbert Kenneth Wong, and Jill Ellen MacGregor Bock aka Jill Ellen MacGregor ^

- ¶ 1 A hearing will be held to give Foresight Capital Corporation (Foresight), ^ Gilbert Kenneth Wong (Wong) and Jill Ellen MacGregor Bock (also known as Jill Ellen MacGregor) (Bock) ^ an opportunity to be heard before the British Columbia Securities Commission considers whether it is in the public interest to make orders under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418.
- ¶ 2 The Executive Director alleges that:

Parties

1. Foresight was incorporated in British Columbia. It was registered under the Act as a securities dealer from June 9, 1997 to October 12, 2001, as a mutual fund dealer only from October 12, 2001 to December 15, 2002, and is now defunct. Its head office was located in Burnaby, British Columbia. It has a history of regulatory compliance problems dating back to 1997.
2. ^
3. ^
4. Wong was a director of Foresight at all material times. He was also president of Foresight until June 2002. He was registered as a trading partner, director or officer and as the compliance officer for Foresight from June 9, 1997 to October 7, 2002. He was also registered as a salesperson of Foresight between October 7, 2002 and December 15, 2002. He is not currently registered under the Act.
5. Bock is a resident of British Columbia and was registered as a salesperson of Foresight from May 5, 1998 to January 8, 2001. She is no longer registered under the Act, but is licensed as a life insurance agent in BC, and sells a variety of products including segregated funds.
6. ^

Bock ^ – Unsuitable Recommendations and other Breaches

7. Bock ^ breached section 48 of the *Securities Rules*, B.C. Reg. 194/97 (the Rules) by recommending a leveraged investment strategy that was too risky for her client.

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8. Bock also breached section 48 of the Rules by investing client funds in mutual funds and exempt products that were too risky and unsuitable for her clients' needs, objectives and personal and financial circumstances.
9. ^
10. As a registrant, Foresight also breached sections 14 and 48 of the Rules in every case where Bock ^ breached those provisions.
11. Bock also made untrue statements of material facts when she told clients that two companies would go public. She made the statements with the intention of effecting a trade in the securities, and knew or ought reasonably to have known that the statements were misrepresentations. Accordingly, Bock breached sections 50(1)(c) and 50(1)(d) of the Act.
12. ^
13. ^
14. ^
15. ^
16. ^

Capital Deficiencies

17. Foresight failed to maintain working capital in the amount required by section 19(5) of the Rules.

Failure to Apply Business Procedures

18. Foresight failed to establish and apply written prudent business procedures for dealing with clients in compliance with the Act and regulations, contrary to section 44 of the Rules.

Failure to Supervise

19. Foresight failed to designate a compliance officer to supervise transactions made on behalf of clients, contrary to section 47 of the Rules. Specifically, Foresight's compliance officer failed to supervise the transactions of ^ Bock ^ described above.

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Failure to Ensure Compliance

20. Foresight failed to designate a compliance officer to ensure that Foresight and its partners, directors, officers and employees complied with the Act and the Rules, contrary to section 65 of the Rules. Specifically, Foresight's compliance officer failed to ensure that ^ Bock ^ complied with the Act and Rules, and that Foresight complied with its capital requirements and had written prudent business procedures, all as described above.

^Wong – Responsibility for Foresight's Breaches

21. As director and officer of Foresight, ^ Wong authorized, permitted or acquiesced in each of Foresight's contraventions of the Act and Rules described above. Accordingly, under section 168.2 of the Act, ^ Wong contravened the same provisions of the Act and Rules as Foresight.

Public Interest

22. Foresight, ^ Wong, and Bock ^ acted contrary to the public interest by committing the acts described above.

23. ^

Hearing Process

- ¶ 3 At the hearing, the respondents may be represented by counsel, make representations and lead evidence. The respondents are requested to advise the Commission of their intention to attend the hearing by informing the Commission Secretary at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: commsec@bcsc.bc.ca.
- ¶ 4 The respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on Friday, January 14, 2005, at 9:00 am if they wish to be heard before the Commission sets a date for the hearing.
- ¶ 5 If the respondents, or their counsel, do not appear at the hearing, determinations adverse to them may be made in their absence.
- ¶ 6 November 28, 2005
- ¶ 7 Brenda M. Leong
Executive Director