

2009 BCSECCOM 539

Amended Notice of Hearing

Michael Kyaw Myint Hua Hu

Section 161 of the *Securities Act*, RSBC 1996, c. 418

- ¶ 1 The Commission will hold a hearing at which the Executive Director will tender evidence, make submissions and apply for orders against Michael Kyaw Myint Hua Hu (Hu) under sections 161 and 162 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

Background

1. Hu is a resident of British Columbia. Hu had a business address located at Suite 651, 666 Burrard Street, in Vancouver, BC during the relevant time.
2. On February 12, 2007, Hu became a director of Maple Leaf Reforestation Inc. (MPE). Hu was the Chairman of MPE for the period July 2007 to January 2008.
3. MPE is an Alberta company incorporated on February 24, 2005. MPE is a publicly traded company on the TSX Venture Exchange (TSXV).

Misconduct

Material fact not generally disclosed

4. On October 16, 2007, MPE issued a news release generally disclosing that it had entered into a memorandum of understanding to establish a bio diesel production project in China (the China Project).

Special Relationship with knowledge of material fact

5. Between September 21, 2007 and October 12, 2007 (the Trading Period), Hu was in a special relationship with MPE as he was its Chairman and a director.
6. Hu had knowledge of the China Project and was involved in the events leading up to the October 16, 2007 news release.

Insider Trading

7. During the Trading Period, Hu, while in a special relationship with MPE and with knowledge of the China Project, purchased securities of MPE.

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8. Hu purchased the MPE shares through another person's (the Account Holder) online trading account (the Trading Account). Hu accessed the Trading Account by using password information provided by the Account Holder.
9. During the Trading Period, Hu accessed the Trading Account and purchased a total of 887,800 shares of MPE at an average price of \$1.00 for a total of \$861,445.80
10. On October 12, 2007, the last trading day before the news release announcing the China Project, shares of MPE closed at a price of \$1.30. On the day after the issuance of the news release, shares of MPE opened at \$1.60.
11. By engaging in the above conduct, Hu breached section 86, now section 57.2 of the Act.

Disclosure of Information

- ~~12.~~ Staff of the Commission issued a summons to Hu dated April 7, 2008 (the Summons) requiring Hu to attend an investigatory interview under oath. ~~The Summons was sent with a letter of the same date directing Hu not to disclose information about the Summons to anyone except his legal counsel.~~
13. After receiving the Summons, Hu discussed the Account Holder information relating to the Summons. ~~This contact is contrary to section 148 of the Act.~~

False Statements

14. In accordance with the Summons, Hu attended a compelled interview on June 10, 2008. During the interview Hu made false or misleading statements, including that he did not know the Account Holder, contrary to section 168.1(1)(a) of the Act.

Hearing Process

- ¶ 2 At the Hearing, Hu may be represented by counsel, make submissions and tender evidence. Hu is requested to advise the Commission of his intention to attend the Hearing by informing the Secretary to 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.
- ¶ 3 Hu or his counsel is required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, BC, on Thursday, May 7, 2009, at 10:00am if he wishes to be heard before the Commission sets a date for the Hearing.

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If Hu or his counsel does not appear at the Hearing, the Executive Director may apply to have questions of liability and sanction heard at the same time. Determinations adverse to Hu may be made in his absence.

¶ 4 September 22, 2009

“Brenda Leong”

¶ 5 Brenda M. Leong
Executive Director