



British Columbia Securities Commission

Citation: 2013 BCSECCOM 140

## Notice of Hearing

### Wheatland Industrial Park Inc., Siu Mui “Debbie” Wong, and Siu Kon “Bonnie” Soo

(the Respondents)

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

¶ 1 The British Columbia Securities Commission (Commission) will hold a hearing (Hearing) at which the Executive Director will tender evidence, make submissions and apply for orders against the Respondents under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

#### Background

1. Wheatland Industrial Park Inc. (Wheatland) is an Alberta corporation that owns property in Wheatland, Alberta (the Wheatland Property). Wheatland has never filed a prospectus under the Act.
2. Siu Mui Wong (Wong) and Siu Kon Soo (Soo), sisters, founded Wheatland in May 2007 to acquire the Wheatland Property. At all material times, they were the sole directors of Wheatland and residents of British Columbia.

#### Misconduct

##### *Illegal Distribution*

3. In and around June 2007, Wong and Soo promoted shares in a joint venture with Wheatland primarily to B.C. residents (the Joint Venture). The purpose of the Joint Venture was to develop the Wheatland Property into saleable, subdivided parcels of industrial land that would result in profit to the investors and Wheatland.
4. A share in the Joint Venture entitled investors to an interest in the Wheatland Property.
5. The Joint Venture authorized Wong and Soo to coordinate the development and re-sale of the Wheatland Property. Wong and Soo were entitled to 5% of net profits for their efforts.

6. At least 78 individuals and corporate entities purchased shares in the Joint Venture at around \$85,000 per share. For approximately 25 of the purchasers totaling \$2.0 million in shares, there was no exemption to the prospectus requirement in the Act available to Wheatland.
7. By distributing securities of Wheatland to these 25 investors for which no prospectus was filed, the Respondents contravened section 61 of the Act.
8. Wong and Soo, as directors and officers of Wheatland, authorized, permitted, or acquiesced in Wheatland's contravention of section 61 of the Act and, therefore, contravened section 61 under section 168.2 of the Act.

### ***Fraud***

9. Wong and Soo took Joint Venture money to make at least \$5.2 million in loans to themselves and their various companies. They used the loans for their own business endeavours unrelated to Wheatland, and they made the loans without the knowledge or permission of investors.
10. Wong and Soo subsequently paid these loans back to Wheatland.
11. Wong and Soo transferred 33.5 shares in the Joint Venture, worth approximately \$2.8 million, without consideration to companies held by their adult children. They did this without the knowledge or permission of investors.
12. Wong and Soo have agreed to pay this money back to Wheatland with interest by July 31, 2013.
13. Wheatland is in default of its mortgage obligations for parts of the Wheatland Property and foreclosure proceedings have been commenced.
14. By misappropriating funds from the Joint Venture and by transferring Joint Venture shares without consideration to the benefit of their adult children, Wong and Soo perpetrated a fraud against investors contrary to section 57 of the Act.

### **Public Interest**

- ¶ 2 It is in the public interest that the Commission issue orders under sections 161 and 162 of the Act.

### **Hearing Process**

- ¶ 3 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on **Tuesday, June 25, 2013 at 9:00 a.m.** if they wish to be heard before the Commission sets a date for the Hearing. Relevant information gathered by Commission Staff in the investigation of this matter will be disclosed to the Respondent upon request to the Executive Director.

¶ 4 At the Hearing, the Respondents may be represented by counsel, make submissions and tender evidence. The Respondents are requested to advise the Commission of their 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.

¶ 5 If the Respondents or their counsel do not appear at the Hearing, the Executive Director will apply to have questions of liability and sanction heard at the same time. Determinations adverse to the Respondents may be made in their absence.

¶ 6 May 22 , 2013.

Paul C. Bourque

¶ 7 Paul C. Bourque, Q.C.  
Executive Director