



Citation: 2022 BCSECCOM 204

Notice of Hearing

**Cherie Evangeline White and KingdomInvestments2015 Inc. (formerly
KingdomRealty Inc. and Kingdom Investments Inc.)**

(collectively, 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:

Summary

1. The Respondents committed fraud when they used investors' funds to repay other investors and a personal loan and when they continued to raise funds when they knew that KingdomInvestments2015 (Kingdom2015) was defaulting on payments to investors.
2. The Respondents illegally distributed Kingdom2015 securities.
3. White obstructed justice when she refused to provide documents and information reasonably required for an investigation.

Background

4. Kingdom2015 was incorporated federally on January 18, 2016 and then registered extra-provincially in British Columbia on January 24, 2017. It was formerly known as KingdomRealty Inc. and Kingdom Investments Inc.
5. Kingdom2015 represented itself as a real estate investment company generating high returns for investors from the "fixing and flipping" and "buying and holding" of properties.
6. White is a resident of Vancouver, British Columbia. At the relevant time, White was the sole director and officer of Kingdom2015.
7. White controlled Kingdom2015's bank accounts, solicited investors and decided what to do with investors' money.



Misconduct

Frauds-Kingdom2015 and White

8. Between August 2017 and December 15, 2018, the Respondents represented to nine investors that their investment funds would be used for investment in British Columbia real estate and would generate high returns. Instead of using the funds to invest in British Columbia real estate, the Respondents fraudulently used approximately \$175,771 received from these investors to repay other investors and a personal loan.
9. By August 2018, the Respondents knew that Kingdom2015 was defaulting on payments to investors. Despite this knowledge, the Respondents raised an additional \$100,000 from two investors without disclosing that Kingdom2015 was defaulting on payments to investors.
10. By engaging in this conduct, the Respondents contravened section 57(b) of the Act.

Illegal Distribution-Kingdom2015 and White

11. Between August 2016 and October 2019, the Respondents raised approximately \$1.25 million from 24 investors. They did this by distributing securities for which a prospectus had not been filed, and exemptions from the prospectus requirements were not available. Every time they distributed a security to an investor without an exemption, the Respondents illegally distributed securities and contravened section 61(1)(a) of the Act.

Obstruction-White

12. During the course of the investigation, White attended a compelled interview on December 8, 2020. During the interview, Staff demanded documents and information from White. White did not provide the documents and information saying it was “a waste of my time.”
13. White obstructed justice when she refused to provide the documents and information that was reasonably required for an investigation, and contravened section 57.5(1)(a) of the Act.

Contravention under s. 168.2(1) of the Act-White

14. As the sole director and officer of Kingdom2015, White authorized, permitted or acquiesced in Kingdom2015’s contraventions of sections 57(b) and 61(1)(a) of the Act and therefore contravened the same provisions under section 168.2(1) of the Act.

Hearing Process

- ¶ 2 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on **Thursday, July 14, 2022, 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.



- ¶ 3 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 Hearing Office at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: hearingoffice@bcsc.bc.ca.
- ¶ 4 If the Respondents or their counsel do 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 the Respondents may be made in their absence.
- ¶ 5 Orders made against you in this matter may automatically take effect against you in other Canadian jurisdictions, without further notice to you.

Peter J Brady
Jun 8 2022 12:49 PM -07:00

- ¶ 6 Peter J. Brady
Executive Director