



Citation: 2022 BCSECCOM 399

Notice of Hearing

Erwin Liem

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 Erwin Liem (Liem) under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

Summary

1. Liem used two false identities to obtain and hold shares of a British Columbia issuer, concealing a portion of his ownership and control of 24.3% of the issuer's shares.
2. While he was an insider of the issuer, Liem traded in securities of the issuer without filing insider and early warning reports as required by the Act.
3. Because he engaged in the conduct set out in this Notice of Hearing, it is in the public interest to issue orders against Liem.

Background

The Respondent

4. Liem is a resident of Vancouver, British Columbia.

Non-Respondents

5. Mydecine Innovations Group Inc. (formerly NewLeaf Brands, formerly New Age Brands Inc., formerly New Age Farm, Inc.) (New Age) is a British Columbia corporation listed on the NEO exchange in Canada and traded on the OTC Pink Market in the United States. At all material times, New Age was a reporting issuer under the Act.

Misconduct

Conduct contrary to the public interest

6. Between July 28, 2014 and April 7, 2017, Liem used two false identities, "Surya Chandra" (Chandra) and "Li Hong Chang" (Chang), to obtain and hold securities of New Age.
7. Liem used the Chandra and Chang identities to conceal a portion of his ownership and control of New Age shares and obfuscate his status as an insider of New Age.
8. Using the Chandra and Chang identities, Liem:



- (a) corresponded as Chandra and Chang with the CEO of New Age;
 - (b) opened bank accounts in the name of Chandra using a false passport;
 - (c) opened a credit card in the name of Chandra and used the card to pay transfer fees to New Age's transfer agent; and
 - (d) signed documents in the names of Chandra and Chang, including a consulting agreement, a letter to New Age's transfer agent, an irrevocable stock power form, and share certificates.
9. While using the Chandra and Chang identities, Liem controlled up to 24.3% of New Age's shares. He also held shares in his own name and through companies he controlled.
10. By using the Chandra and Chang identities to conceal his ownership and control of New Age shares, Liem engaged in deceptive conduct that is abusive to the capital markets.

Failure to file insider and early warning reports

11. Between August 25, 2014 and October 13, 2016, Liem beneficially owned or controlled more than 10% of the outstanding shares of New Age. As a result, Liem was required to file:
- (a) insider reports disclosing his control and change in control of New Age securities on SEDI, pursuant to section 87(2) of the Act, and sections 3.2 and 3.3 of National Instrument 55-104 *Insider Reporting Requirements and Exemptions* (55-104), and
 - (b) early warning reports and a news release pursuant to section 5.2 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (NI 62-104).
12. Liem did not file any insider reports or early warning reports with respect to his transactions in New Age shares during this period, or at any time.
13. By engaging in this conduct, Liem contravened section 87(2) of the Act, sections 3.2 and 3.3 of NI 55-104, and section 5.2 of NI 62-104.

Hearing Process

- ¶ 2 The Respondent or his counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on **Thursday, November 10, 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 Respondent may be represented by counsel, make submissions and tender evidence. The Respondent is requested to advise the Commission of his 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 Respondent or his 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 Respondent may be made in his absence.
- ¶ 5 Orders made against the Respondent in this matter may automatically take effect against them in other Canadian jurisdictions, without further notice to the Respondent.

Peter J Brady

Sep 29 2022 10:15 AM -07:00

- ¶ 6 Peter J. Brady
Executive Director