

Citation: 2026 BCSECCOM 180

## Amended Notice of Hearing

### Shimshon Refoel (Shimmy) Posen

#### 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 Shimshon Refoel (Shimmy) Posen (the Respondent) under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

#### Summary

1. The Respondent directed a wash trade to artificially lower the share price of a Canadian Securities Exchange (CSE) listed company (the Company).
2. By engaging in the conduct set out in this Notice of Hearing, the Respondent contravened section 57(1)(a) of the Act.

#### Background

3. The Respondent is a practicing securities lawyer in Toronto, Ontario and a resident of Ontario.
4. The Company was incorporated in British Columbia on June 19, 2015, and its shares have been listed on the CSE since October 11, 2018. It was a client of the Respondent during the relevant period.
5. On January 24, 2024, the Respondent's law firm, on behalf of the Company, sought CSE approval for a private placement of 10 million shares at \$0.03 per share.
6. CSE policy provided that listed companies may only conduct a private placement at less than \$0.05 per share if the price is not lower than its volume weighted adjusted price (VWAP) over the prior 20 trading days.
7. On ~~January 24, 2024~~ January 25, 2024, the CSE refused the Company's private placement request of \$0.03 because the 20-day VWAP of its shares, at that time, was \$0.078.

#### Misconduct

8. On the morning of January 26, 2024, the Respondent placed an order to buy ~~50,000~~ 70,000 Company shares at \$0.005 per share, in an online investment account in his name. Later that day, the Respondent directed a matching sell order for 50,000

Company shares at \$0.005 per share, by instructing a registered representative to enter the sell order in an investment account in the name of a holding company owned by the Respondent's wife, over which the Respondent had trading authority (the Wash Trade). By directing the Wash Trade, the Respondent intended to lower the VWAP of the Company's shares.

9. On January 29, 2024, the Respondent's law firm, on behalf of the Company, informed the CSE that the Company's 20-day VWAP was now below \$0.03. The CSE then approved the private placement at \$0.03.
10. The Respondent knew, or reasonably should have known, that the Wash Trade would result in or contribute to a misleading appearance of trading activity in, and an artificial price for, the shares of the Company.

### **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 **Tuesday, May 6, 2025 at 9 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](mailto: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.

*Peter J Brady*  
7/3/2026 | 3:22 PM PST

- ¶ 5 Peter J. Brady  
Executive Director