



Citation: 2021 BCSECCOM 162

Settlement Agreement

Shijun “Clark” Zhu

Securities Act, RSBC 1996, c. 418 (the Act)

- ¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director) and Shijun “Clark” Zhu (Zhu) agree as follows:

Agreed Statement of Facts

1. Zhu is a resident of Burnaby, British Columbia.
2. Zhu was registered under the Act to sell scholarship plan securities in 2011 and mutual fund securities from 2011 to 2012. Zhu was not registered under the Act in any capacity from 2016 to 2018.
3. Zhu has no prior history of securities regulatory misconduct.

Misconduct

4. Between July 2016 and September 2016, Zhu entered into investment agreements with five investors so that he could trade contracts or instruments based on currency for them.
5. Zhu managed investor trading accounts totaling \$532,854 and made investment decisions for the investors. Zhu made frequent discretionary trades for the investors between July 2016 and July 2018.
6. By 2018, Zhu’s trading caused or contributed to the depletion of the funds in the investors’ trading accounts.
7. Zhu earned \$38,639.69 in commissions by trading for the investors.
8. By engaging in the conduct set out above, Zhu contravened sections 34(a) and 34(b) of the Act by being in the business of trading and advising without being registered.

Public Interest

9. It is in the public interest that the Executive Director issue orders under section 161 of the Act.



Undertaking

10. Zhu undertakes to pay \$40,000 to the Commission in settlement of this matter.

Order

¶ 2 The Executive Director will issue orders under section 161(1) of the Act against Zhu (the Order) that:

1. Zhu is prohibited for the later of ten (10) years or until he has paid the amount at paragraph 2.2 and fulfilled his undertaking at paragraph 10:
 - (a) under section 161(1)(b)(ii), from trading in any securities or derivatives, except that Zhu may trade in accounts in his own name with a person registered to trade in securities under the Act, if Zhu has first provided the registered representative with a copy of the Order before any trade takes place;
 - (b) under section 161(1)(d)(iii), from becoming or acting as a registrant or promoter;
 - (c) under section 161(1)(d)(iv), from advising or otherwise acting in a management or consultative capacity in connection with activities in the securities or derivatives markets;
 - (d) under section 161(1)(d)(v), from engaging in promotional activities by or on behalf of an issuer, security holder or party to a derivative, or another person that is reasonably expected to benefit from the promotional activity; and
 - (e) under section 161(1)(d)(vi), from engaging in promotional activities on Zhu's own behalf in respect of circumstances that would reasonably be expected to benefit him.
2. Zhu pay to the Commission \$38,639.69 pursuant to section 161(1)(g) of the Act.

Consent to Regulatory Orders

¶ 3 Zhu consents to a regulatory Order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the Orders set out in paragraph ¶2 above.

Waiver

¶ 4 Zhu waives any right he may have, under the Act or otherwise, to a hearing, hearing and review, judicial review or appeal related to, in connection with, or incidental to this settlement.



Counterpart

¶ 5 This Settlement Agreement may be signed in counterpart and all such counterparts of signed copies, whether delivered electronically or otherwise, shall be read or construed together as if they formed one originally executed document.

¶ 6 May 3, 2021

¶ 7 Shijun Zhu
Shijun "Clark" Zhu

Redacted)
Witness Signature)
Redacted)
Witness Name (please print))
_____)
Redacted)
Address)
Redacted)
Occupation)

Peter J Brady
May 5 2021 12:29 PM -07:00

¶ 8 Peter J. Brady
Executive Director