



British Columbia Securities Commission

Citation: 2017 BCSECCOM 378

## Notice of Hearing

**Chien-Hua Liu, also known as William Liu, NuWealth Financial Group Inc.  
and CPFS Professional Financial Services Inc.**

**(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. NuWealth Financial Group Inc. (NuWealth), CPFS Professional Financial Services Inc. (CPFS) (together, Corporate Respondents) and Chien-Hua Liu (Liu) acted in furtherance of trades by referring investors to two issuers. As a result of these referrals, British Columbia and Hong Kong investors purchased approximately \$6,523,382 of the securities of the issuers.
2. NuWealth, CPFS and Liu were not registered under the Act for their activities set out in this Notice of Hearing. Therefore, the Respondents contravened section 34(a) of the Act.
3. While he was director of the Corporate Respondents, Liu authorized, permitted or acquiesced in the Corporate Respondents' contraventions of section 34(a) and therefore, by virtue of section 168.2 of the Act, he also contravened section 34(a).

#### **Background**

4. The Corporate Respondents are companies incorporated in British Columbia. They have never been registered in any capacity under the Act.
5. Liu is a resident of British Columbia. He was the sole director of NuWealth prior to 2010 and again from August 1, 2014 to the present. He has been the sole director of CPFS since February 18, 2008.

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6. Liu was registered under the Act to sell mutual fund securities, from 2009 until 2013. He was not registered under the Act in any capacity from 2014 to 2016.

### **Misconduct**

#### ***CPFS***

7. CPFS entered into an agreement dated April 17, 2014 with a securities issuer (Issuer G) (CPFS-G Agreement). Under the CPFS-G Agreement, Issuer G paid CPFS commissions to refer investors. Between May 1, 2014 and December 2, 2014, investors referred by CPFS representatives invested \$1,696,878 in the securities of Issuer G.

#### ***NuWealth***

8. NuWealth entered into an agreement dated April 17, 2014 with Issuer G (NuWealth-G Agreement). Under the NuWealth-G Agreement, Issuer G paid NuWealth commissions to refer investors. Between May 3, 2014 and December 21, 2015, investors referred by NuWealth representatives invested \$2,893,274 in the securities of Issuer G.
9. NuWealth entered into agreements dated September 1, 2010 and March 26, 2015 (NuWealth-W Agreements) with a corporation representing a group of issuers (Issuer W). Under the NuWealth-W Agreements, Issuer W paid NuWealth commissions to refer investors. Between April 19, 2013 and January 27, 2016, investors referred by NuWealth representatives invested \$1,933,230 in the securities of companies represented by Issuer W.

#### ***Liu***

10. While Liu was the director of the Corporate Respondents, the Corporate Respondents made referrals, in contravention of s. 34(a) of the Act, which resulted in investors investing \$5,230,869 in the securities of Issuers G and W. Liu authorized, permitted or acquiesced in these contraventions and by virtue of s. 168.2 of the Act, he also contravened section 34(a).
11. Liu also personally referred investors to Issuer G and Issuer W. Between June 13, 2013 and January 27, 2016, investors referred by Liu invested \$1,713,070.

### **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 **January 30, 2018, at 10:00 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 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](mailto:commsec@bcsc.bc.ca).
- ¶ 4 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.

*Peter J Brady*  
*Dec 18 2017*

- ¶ 5 Peter J. Brady  
Executive Director