



British Columbia Securities Commission

Citation: 2018 BCSECCOM 64

Notice of Hearing

William Wade Furman

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. William Wade Furman (Furman) raised approximately \$452,000 from investors through two companies by falsely claiming that he was a successful, licensed day-trader who could generate high returns. Furman was not registered under the Act and used only a portion of investors' money for day-trading. He used the rest of their money for purposes unrelated to trading and provided investors with fabricated monthly reports and forged account statements.
2. By engaging in the conduct set out in this Notice of Hearing, Furman committed fraud, contravening section 57(b) of the Act, each time he raised money from an investor.
3. Furman was a resident of British Columbia at the time of the contraventions, although his current whereabouts are unknown.

Misconduct

Fraud

4. Between 2012 and 2014, Furman raised approximately \$452,000 through two companies he incorporated, Liquidus Holdings Inc. (Holdings) and Liquidus Capital Inc. (Capital), as follows:
 - a. \$120,000 from five investors through distributions of Holdings' securities; and
 - b. \$332,000 from eight investors through distributions of Capital's securities.

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5. To raise this money, Furman deceived investors by falsely claiming that he was a successful, licensed day-trader and that he would use their money to day-trade on their behalf.
6. In fact, Furman was never registered under the Act and used only half of investors' money—approximately \$229,000—to day-trade. He used the balance of their money for purposes unrelated to trading, including cash withdrawals, payments to himself, repayments to other investors, bill payments, and retail purchases.
7. Furman further misled investors by providing them with monthly reports showing the purported performance of his trading activities, as well as account statements printed on the letterhead of a registered investment dealer. The monthly reports were fabricated and the account statements were forged.
8. Furman repaid a total of approximately \$41,150 of the \$452,000 raised from investors. Investors did not recover any of the remaining \$410,850.

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, April 10, 2018, at 9:00 a.m.**, if he wishes 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 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.
- ¶ 4 If the Respondent or his counsel does 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 Respondent may be made in his absence.

Peter J. Brady
Mar 12 2018 12:37 PM -07:00

- ¶ 5 Peter J. Brady
Executive Director