



British Columbia Securities Commission

Citation: 2019 BCSECCOM 355

Notice of Hearing

Hunter Wei-Shun Wang (aka Hunter Wei Shun Wang) and Jing “Janet” Zhang

Section 161 of the *Securities Act*, RSBC 1996, c. 418

- ¶ 1 The British Columbia Securities Commission will hold a 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. In March 2014, Wang and Zhang convinced a person to invest in a company that Wang and Zhang worked for. A few days later, the investor informed Wang that he regretted making the investment and wanted his money back. The investor’s mother then complained to Commission staff about his investment. Wang and Zhang learned that the investor’s mother spoke to Commission staff.
2. Wang and Zhang offered to refund the investor’s money if he lied to Commission staff about his investment by stating that his mother was confused when she complained to Commission staff as she was thinking about a different investment when, in fact, he had no complaints about his investment in the company (False Information). Wang and Zhang coached the investor about the False Information he was to provide to Commission staff. After the investor phoned Commission staff in front of Wang and Zhang and relayed the False Information, Zhang reimbursed the investor’s money.
3. By engaging in the conduct as set out in this notice of hearing, the respondents contravened section 57.5 of the Act or, in the alternative, engaged in conduct that is abusive to the capital markets and it is in the public interest to issue orders against them.

Background

4. Wang is a resident of Burnaby, British Columbia. He was licensed by the Insurance Council of British Columbia to sell insurance products for the

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company during the relevant period. He has never been registered under the Act.

5. Zhang is a resident of Burnaby, British Columbia. She was the company's marketing director during the relevant period. She has never been registered under the Act.
6. The investor and his mother are both residents of British Columbia.

Conduct requiring orders in the public interest

7. The investor and his mother met with Wang and Zhang on March 29, 2014. At that meeting, the investor invested \$25,000 in the company in the form of an unsecured loan agreement.
8. On April 1, 2014, the investor emailed Wang to advise he regretted making the investment and ask if the company could refund his money.
9. On April 3, 2014:
 - The investor's mother complained to Commission staff about her son's investment after he had not heard back that he would receive a refund.
 - Commission staff contacted Wang to discuss the investment.
 - Wang and Zhang met with the investor and his mother later that evening to determine what they had told Commission staff.
 - Zhang phoned the investor's mother after their meeting and told her that they would only refund her son's investment if he lied to Commission staff about the investment. Zhang set up a meeting the next day to coach the son on what to say.
10. On April 4, 2014, Wang and Zhang met with the investor and his mother. At the meeting, Wang and Zhang coached the investor on the False Information he had to provide to Commission staff in order to get his investment refunded. The investor then phoned Commission staff in front of Wang and Zhang and provided the False Information they had rehearsed.
11. The investor and his mother then met Zhang at her personal bank branch, where she withdrew \$25,000 and gave it to the investor to refund his investment. A few weeks later, the company reimbursed Zhang for making this payment.

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



November 20, 2019, 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 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.
- ¶ 4 If the Respondents or their 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 Respondents may be made in their absence.

Peter J Brady
October 7, 2019 6:52 AM -7:00

- ¶ 5 Peter J. Brady
Executive Director