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**BCSC panel orders more than $6 million in sanctions against Richmond residents and B.C. companies for Ponzi fraud and other wrongdoing**

**Vancouver** – The British Columbia Securities Commission (BCSC) ordered two B.C. residents and two companies to pay a total of $6.3 million for committing fraud through a Ponzi scheme.

Todd Norman John Bezzasso raised approximately $5 million from 85 investors through his companies, Bezzaz Holdings Group Ltd. (Bezzaz) and Nexus Global Trading Ltd. (Nexus). During this time, Bezzasso engaged fellow Richmond resident Wei Kai (a.k.a. Kevin) Liao to find investors on his behalf.

The panel [found](https://www.bcsc.bc.ca/about/media-room/news-releases/2019/72-bcsc-panel-finds-that-two-bc-men-and-two-companies-committed-fraud) that instead of using all of investor funds as promised, Bezzasso was actually operating a Ponzi scheme. A large portion of the investors’ funds was being used to pay earlier investors, meaning many people who invested later during the scheme lost some or all of their money.

While the panel found that Bezzasso, Bezzaz and Nexus committed fraud against all 85 investors, the panel found that Liao committed fraud against one investor, traded in securities without being registered and acted as an adviser to investors without being registered.

As a result of their misconduct, Bezzasso is ordered to pay an administrative penalty of $4.5 million, and Bezzasso, Bezzaz and Nexus are jointly ordered to pay a financial sanction of $1,619,563, representing the amount they obtained or avoided losing as a result of the misconduct.

In ordering these sanctions, the panel noted that they “engaged in a deliberate and extensive fraud which deprived investors of a large portion of their invested funds.”

For his misconduct, Liao is ordered to pay $100,000 in administrative sanctions and a financial sanction of $68,530, representing the amount he obtained or avoided losing as a result of his misconduct.

In addition to the financial sanctions, Bezzasso is permanently banned and Liao is prohibited for 15 years from:

* relying on any exemption under the *Securities Act*
* being a director or officer of any issuer or registrant
* being or acting as a registrant or promoter
* acting in a management or consultative capacity in connection with the securities market
* and engaging in investor relations activities

They are also banned for the same time periods from trading in or purchasing securities or exchange contracts, although Liao is allowed to do so for personal use through a registered dealer. Bezzaz and Nexus are permanently banned from trading in or purchasing securities or exchange contracts and engaging in investor relations activities.

**About the British Columbia Securities Commission (**[**www.bcsc.bc.ca**](http://www.bcsc.bc.ca)**)**

The British Columbia Securities Commission is the independent provincial government agency responsible for regulating capital markets in British Columbia through the administration of the Securities Act. Our mission is to protect and promote the public interest by fostering:

* A securities market that is fair and warrants public confidence
* A dynamic and competitive securities industry that provides investment opportunities and access to capital

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