

VANCOUVER

AUG 13 2020

COURT OF APPEAL COURT OF APPEAL

BETWEEN: **REGISTRY**

BRITISH COLUMBIA SECURITIES COMMISSION and the EXECUTIVE
DIRECTOR OF THE BRITISH COLUMBIA SECURITIES COMMISSION

RESPONDENTS

AND:

WEI KAI LIAO also known as KEVIN LIAO

APPELLANT

NOTICE OF APPLICATION FOR LEAVE TO APPEAL

Take notice that the Appellant, Wei Kai Liao also known as Kevin Liao, hereby applies for leave to appeal to the British Columbia Court of Appeal the related decisions of the British Columbia Securities Commission pronounced the 21st day of November 2019 and the 15th day of July 2020, at Vancouver, British Columbia.

1. The appeal is from an:
 Trial Judgment Summary Trial Judgment
 Order of a Statutory Body Chambers Judgment
2. If the appeal is from an appeal under Rule 18-3 or 23-6 (8) of the Supreme Court Civil Rules or Rule 18-3 or 22-7 (8) of the Supreme Court Family Rules, name the maker of the original decision, direction or order: n/a
3. Please identify which of the following is involved in the appeal:
 Administrative Civil Procedure Commercial
 Family Motor Vehicle Accidents Municipal Law
 Real Property Torts Equity
 Wills and Estates

And further take notice that the Court of Appeal will be moved at the hearing of this application for an order that:

1. the Appellant is granted leave to appeal the following decisions of the British Columbia Securities Commission:
 - a. the decision pronounced the 21st day of November 2019 and reported as *Re Bezzaz Holdings*, 2019 BCSECCOM 415 (the "Liability Decision") whereby the Hearing Panel found that the Appellant had contravened sections 57(b), 34(a) and 34(b) of the *Securities Act*, RSBC 1996, c. 418 (the "Act"); and
 - b. the decision of the British Columbia Securities Commission pronounced the 15th

day of July 2020 and reported as *Re Bezzaz Holdings*, 2020 BCSECCOM 263 (the "Sanctions Decision") whereby the Hearing Panel:

- i. ordered the Appellant to pay \$68,530 pursuant to section 161(1)(g) of the Act and \$100,000 as an administrative penalty under section 162 of the Act; and
- ii. prohibited the Appellant until the later of 15 years from the date of the Commission's decision and the date upon which the Appellant has made the ordered payments to the Commission:
- iii. under section 161(1)(b)(ii), from trading in or purchasing any securities or exchange contracts, except that he may trade and purchase securities or exchange contracts for his own account (including one RRSP account, one TFSA account and one RESP account) through a registered dealer, if he gives the registered dealer a copy of the Commission's decision;
- iv. under section 161(1)(d)(iii), from becoming or acting as a registrant or promoter;
- v. prohibited the Appellant under section 161(1)(d)(iv), from acting in a management or consultative capacity in connection with activities in the securities market; and
- vi. prohibited the Appellant under section 161(1)(d)(v), from engaging in investor relations activities.

(collectively, the "Sanctions")

3. In the alternative, the appellant is granted leave to appeal the Sanctions in the Sanctions Decision.
4. Costs of the appeal of the Liability Decision and/or the Sanctions Decision are payable by the Respondents.

The grounds of appeal are:

1. The appellant appeals the Liability Decision on the grounds that:
 - a. the British Columbia Securities Commission made an error in fact and in law in finding that an objectively reasonable person would consider the Appellant's conduct dishonest in regard to the finding of fraud under section 57(b) of the Act; and
 - b. Further, or in the alternative, the British Columbia Securities Commission made errors in fact and in law in making findings without having sufficiently reliable evidence before it.
2. The appellant appeals the Sanctions Decision on the grounds that:
 - i. The British Columbia Securities Commission made an error in fact and in law when it considered the Appellant's alleged failure to disclose important

facts to investors over an extended period of time as a factor relevant to the determination of appropriate sanctions, despite there being no allegations of misrepresentation in the notice of hearing nor findings of liability for misrepresentation.

The liability portion of the hearing in this proceeding occupied 11 days.

The sanction portion of the hearing in this proceeding occupied 1 day.

Dated at Vancouver, British Columbia, this 13th day of August 2020



Lawyer for the Appellant
Lisa D. Ridgedale / Leah Shepherd

To the respondent: The Executive Director of the British Columbia Securities Commission
And to its solicitors: Mila Pivnenko, Deborah Flood and Isaac Filate

To the respondent: The British Columbia Securities Commission

This Notice of Leave to Appeal is given by Hakemi & Ridgedale LLP, whose address for service is 1500-888 Dunsmuir Street, Vancouver, BC V6C 3K4 (Attention: Lisa Ridgedale/Leah Shepherd)

To the respondents

IF YOU INTEND TO PARTICIPATE in this proceeding, YOU MUST GIVE NOTICE of your Intention by filing a form entitled "Notice of Appearance" (Form 2 of the Court of Appeal Rules) in a Court of Appeal registry and serve the notice of appearance on the appellant WITHIN 10 DAYS of receiving this Notice of Application for Leave to Appeal.

IF YOU FAIL TO FILE A NOTICE OF APPEARANCE

- (a) you are deemed to take no position on the application, and
- (b) the parties are not obliged to serve you with any further documents related to the application.

The filing registries for the British Columbia Court of Appeal are as follows:

Central Registry:
B.C. Court of Appeal
Suite 400, 800 Hornby Street
Vancouver BC V6Z 2C5

Other Registries:
B.C. Court of Appeal
The Law Courts
P.O. Box 9248 STN PROV GOVT
850 Burdett Ave
Victoria BC V8W 1B4

B.C. Court of Appeal
223 – 455 Columbia Street
Kamloops BC V2C 6K4

Inquiries should be addressed to (604) 660-2468 Fax filings: (604) 660-1951