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BCSC panel orders three people who defrauded investors to pay more than \$1.5 million and permanently bans them from investment market

Vancouver – Three B.C. residents must pay a total of more than \$1.5 million for defrauding two investors in a [battery manufacturing scheme](#) and using over half of that investment on personal expenses, a BCSC panel has ruled.

John Sand and Jolyon Charles Christopher Gulston, both of West Vancouver, and Karol Achs, of North Vancouver, must each pay a \$380,000 administrative penalty for lying while convincing people to invest.

Each of them must also pay amounts they obtained from their wrongdoing: Achs, \$180,000; Sand, \$120,000; and Gulston, \$100,000. Any money collected by the BCSC for these latter orders could be distributed to victims.

The two investors were told their funds – \$600,000 in all – would be used to build a facility to produce zinc-air fuel cell batteries, and that there were already purchase orders for these batteries from around the world. In fact, there were no orders for the batteries.

Instead of using the funds collected from investors to build a facility capable of meeting preliminary orders, Sand, Gulston and Achs used more than \$360,000 of the investors' funds for other purposes, including cash withdrawals, credit card payments, payments to themselves and other people, and cell phone and grocery bills. Only \$200,000 of the investment was repaid to investors.

The panel deemed Sand, Gulston and Achs “unfit to act as a registrant, director, officer, or advisor” and banned them for life from holding such positions. It also permanently prohibited them from trading or purchasing securities or derivatives, and from other investment market activities.

“The dishonesty was intentional and planned and included the creation of false documents and a failure to keep the types of records which would allow the flow of funds to be accurately tracked,” the panel wrote.

About the B.C. Securities Commission (www.bsc.bc.ca)

The B.C. 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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