



British Columbia
Securities Commission

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BCSC issues a notice of hearing alleging a pump and dump scheme

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Vancouver - The Executive Director of the British Columbia Securities Commission (BCSC) [has issued a notice of hearing](#) alleging that Garo Aram Deyrmenjian, Raffi Khorchidian, Antoine Ratsaphong and EuroHelvetia TrustCo. S.A. (now known as EHT Corporate Services S.A.) orchestrated a pump and dump scheme.

The notice alleges that in November 2010, the respondents obtained 13.8 million shares of Kunekt Corporation through private transactions. Kunekt is a Nevada company. During the relevant period, Kunekt was a reporting issuer and its shares were quoted on the Over the Counter Bulletin Board markets in the United States. The notice states that prior to the relevant period, Kunekt shares were thinly traded.

The notice alleges that the respondents obtained the shares after learning that Kunekt was planning to enter the smart phone business in China. The respondents then hired a third party company to promote Kunekt shares through what the notice alleges were grossly promotional and misleading mass email blasts.

The notice states that during the relevant period, over 163 million Kunekt shares traded and that the company reached a market capitalization of almost \$180 million despite being a development stage company with no patents, no phones, no revenues, and no manufacturing agreement to make phones. The notice alleges that the respondents sold their Kunekt shares as the price of the shares increased for net proceeds of almost \$20 million.

Ratsaphong was the chief accountant for EuroHelvetia, a Swiss wealth management firm, and a resident of Switzerland. Deyrmenjian and Khorchidian were both B.C. residents during the relevant period and clients of EuroHelvetia.

These allegations have not been proven. Counsel for the Executive Director will apply to set dates for a hearing into the allegations before a panel of commissioners on November 16, 2016, at 9:00 a.m.

You may view the notice of hearing on our website www.bsc.bc.ca by typing Garo Aram Deyrmenjian, Raffi Khorchidian, Antoine Ratsaphong, EuroHelvetia TrustCo. S.A. or 2016 BCSECCOM 336 in the search box. Information regarding disciplinary proceedings can be found in the [Enforcement section](#) of the BCSC website.

Please visit the Canadian Securities Administrators' [Disciplined List](#) for information relating to persons and companies disciplined by provincial securities regulators, the Investment Industry Regulatory Organization of Canada (IIROC) and the Mutual Fund Dealers Association (MFDA).

About the British Columbia Securities Commission (www.bsc.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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