

***FP Canada Standards Council™
and
Hunter Wei-Shun Wang, CFP®***

STATEMENT OF ALLEGATIONS

THE CFP® PROFESSIONAL

1. Hunter Wei-Shun Wang ("Mr. Wang" or the "Respondent") was certified by FP Canada®, then the Financial Planning Standards Council (FPSC®), as an FPSC Level 1® Certificant in Financial Planning, on August 1, 2013 and as a CERTIFIED FINANCIAL PLANNER® Certificant, on February 1, 2015. Mr. Wang certification with FP Canada remains current; however, his status as of the date of this Statement of Allegations is "under investigation" on FP Canada's Find a Planner tool¹. Mr. Wang does not have a disciplinary history with FP Canada.
2. From 2009 to approximately 2012, Mr. Wang worked with Walton International Group as a "Referral Agent". In March 2010, Mr. Wang was retained by FS Financial Strategies Inc. ("FS Strategies") as an independent contractor through his company, Hercules Advisory Group. In 2014, while still employed by FS Strategies, Mr. Wang and his friend started an investment company, WL Strategic Capital Partners Inc. ("WL Strategic"), where Mr. Wang was a director until April 2016. WL Strategic pooled investor funds, relying on a private issuer exemption, to invest in the FS Group of companies, through loan agreements.
3. Mr. Wang currently works as a self-employed Consultant with Prometheus Private Advisory Group Inc., located in Vancouver, British Columbia. He started in this role in or around November 2017.

¹ The FP Canada Standards Council™ sought and obtained authorization from the FP Canada Board of Directors to publicize the investigation involving Mr. Wang, in March 2017, as the conduct detailed below gave rise to a concern regarding public harm and recognizing that the conduct was already in the public domain.

HISTORY OF THE PROCEEDINGS

4. This matter came to the attention of FP Canada Standards Council™ (the "Standards Council") after the British Columbia Securities Commission ("BCSC") issued a Notice of Hearing and Temporary Order on February 6, 2017², naming various Respondents, including Mr. Wang and WL Strategic (the "First BCSC Proceeding"). Mr. Wang was also identified in various media reports relating to the First BCSC Proceeding³.
5. On or about February 24, 2017, the Standards Council initiated an independent investigation into Mr. Wang's conduct.
6. On October 24, 2018, the BCSC issued an Amended Notice of Hearing and Mr. Wang was no longer named as a Respondent. On November 6, 2018, the BCSC discontinued its proceedings against Mr. Wang and WL Strategic.
7. On October 7, 2019, the BCSC issued a new Notice of Hearing against Mr. Wang and another individual alleging that they obstructed a BCSC investigation by coaching an investor to lie to the BCSC⁴ (the "Second BCSC Proceeding").
8. Mr. Wang did not report the Second BCSC Proceeding to FP Canada when he first learned of it in December 2018 or at any time thereafter. The Standards Council learned of the matter on or about October 7, 2019, when the Notice of Hearing was issued.
9. As the Second BCSC Proceeding raised new allegations of misconduct not previously known to the Standards Council, on December 17, 2019, further investigation instructions were obtained to broaden the scope of the Standard Council's investigation to include the conduct at issue in Second BCSC Proceeding as well.
10. On April 22, 2020, the BCSC released their Findings and Decision ("Decision") in the First BCSC Proceeding against the FS Group (which included FS Strategies, which Mr. Wang was associated with), and other individual respondents (not including Mr. Wang)⁵. The BCSC made several findings against the FS Group, including that:
 - a. Misrepresentations were made to investors by continuing to raise funds without disclosing the true financial condition of the FS Group to investors, including that: FS Strategies' expenses exceeded revenue each year; FS Strategies' revenue was insufficient to cover interest payments to investors; and new investor money obtained via loan agreements, was used to pay interest to other investors.

² [BCSC Notice of Hearing and Temporary Order dated February 6, 2017.](#)

³ For example, [Vancouver Sun news article dated February 7, 2017.](#)

⁴ [2019-10-07 - BCSC Notice of Hearing](#)

⁵ [Findings and Decision - FS Group, Wiebe, Lim and Low](#)

- b. Illegal distributions of securities (through investor loan agreements) were made in raising funds without filing a prospectus, where approximately \$29 million of the \$47 million raised did not have prospectus exemptions; and
 - c. Four (4) of the FS Group entities were deemed to have participated in unregistered trading when they sold almost \$33 million of the FS Group's securities in the form of unsecured loan agreements.
11. Subsequently, on December 9, 2020, the BCSC released its Findings in the Second BCSC Proceeding and found that Mr. Wang concealed or withheld, or attempted to conceal and withhold, information reasonably required for an investigation under the British Columbia Securities Act when Mr. Wang (and the other individual) coached an investor to lie to the BCSC investigator in an attempt to prevent an investigation from proceeding⁶.
 12. On April 16, 2021, the BCSC issued its decision on sanctions in the Second BCSC Proceeding. The BCSC Hearing Panel ordered, amongst other things, that Mr. Wang be prohibited from acting in any securities-related capacity for the latter of a) two years; and b) the date the \$30,000 administrative penalty imposed on him is paid. Mr. Wang is appealing this decision and as of the date of this Statement of Allegations, the April 16, 2021 decision is not final⁷.
 13. The Standard Council's investigation was completed on December 2, 2021.
 14. On December 14, 2021, the Conduct Review Panel ("CRP") convened and referred this matter to a Hearing Panel

NOTICE

15. Further to the direction of the CRP, and in accordance with Article 5.1 of the FP Canada Standards Council Disciplinary Rules and Procedures, I hereby give notice of the Standards Council's request that a hearing date be set with respect to the matter identified as: *FP Canada Standards Council™ and Hunter Wei-Shun Wang, CFP®*.
16. The Standards Council requests that the hearing in respect of this matter be held in writing

⁶ [2020-BCSECCOM-504.pdf \(bcsc.bc.ca\)](#)

⁷ [BCSC Decision - Mr. Wang and Ms. Zhang](#)

APPLICABLE STANDARDS

17. Mr. Wang was first certified by FP Canada on August 1, 2013; accordingly, FP Canada has jurisdiction over his conduct between August 2013 and April 2016. The conduct referred to in Allegation #1 set out below, relating to the First BCSC Proceeding, occurred between 2010 and 2016. Accordingly, Mr. Wang's conduct is governed by the *Standards of Professional Responsibility* in force between November 2011 and May 2017.
18. In addition, the conduct referred to in Allegations #2, 3 and 4 set out below, relating to the Second BCSC Proceeding, occurred between March 2014 and April 2014. Mr. Wang failed to report the Second BCSC matter to FP Canada in early 2019. On April 16, 2020, the BCSC found that the Respondent engaged in obstructionist conduct. Accordingly, Mr. Wang's conduct is governed by the *Standards of Professional Responsibility* in force between March 2014 and September 2014, between January 2019 and June 2021.
19. The relevant Principles and Rules of the *Standards of Professional Responsibility* are set out at **Appendix "A"**.

ALLEGATIONS

The Standards Council makes the following allegations against the Respondent:

1. Between August 2013 and April 2016, the Respondent introduced clients, friends and family members to the FS Group directly and through his company, WL Strategic, for the purposes of investing, without understanding, or performing the necessary due diligence with respect to, the financial position of FS Strategies, contrary to Principle 7 (Diligence) of the *Standards of Professional Responsibility* in force between November 2011 and May 2017.
2. Between March 2014 and April 2014, the Respondent coached an investor to lie to the British Columbia Securities Commission ("BCSC"), and thereby engaged in or associated with individuals engaged in conduct involving misrepresentation and that reflects adversely on his integrity or fitness as a CFP professional, the CFP marks or the profession, contrary to Principles 2 (Integrity) and 8 (Professionalism) and Rules 1 (Misrepresentation) and 2 (Integrity) of the *Standards of Professional Responsibility* in force between March 2014 and September 2014.
3. On April 16, 2020, the BCSC found that the Respondent obstructed a BCSC investigation and thereby engaged in conduct that reflects adversely on his integrity or fitness as a CFP professional, the CFP marks or the profession, contrary to Principles 2 (Integrity) and 8 (Professionalism) and Rules 1 (Misleading) and 2 (Integrity) of the *Standards of Professional Responsibility* in force between January 2020 and June 2021.

4. Between January and October 2019, the Respondent failed to report to FP Canada, that in or around December 2018, he became aware that the BCSC was proceeding with the Second BCSC Proceeding, thereby breaching Rule 31(b) of the *Standards of Professional Responsibility* in force between January and December 2019.

Dated the 28th day of January, 2022

"Tamara Center"

Tamara Center
Director, Professional Conduct and Enforcement
Counsel to FP Canada Standards Council™

Appendix A – Applicable Standards of Professional Responsibility

Standards of Professional Responsibility for CFP Professionals and FPSC Level 1 Certificants in Financial Planning – November 2011 – May 2017

Principle 7: Diligence

A CFP professional shall act diligently when providing advice and/or services to clients.

Diligence is the degree of care and prudence expected from CFP professionals in the handling of their clients' affairs. Diligence requires fulfilling professional commitments in a timely and thorough manner and taking due care in guiding, informing, planning, supervising, and delivering financial advice and/or services to clients.

Standards of Professional Responsibility for CFP Professionals and FPSC Level 1 Certificants in Financial Planning – March 2014 to September 2014

Principle 2: Integrity

A CFP professional shall always act with integrity.

Integrity means rigorous adherence to the moral rules and duties imposed by honesty and justice. Integrity requires the CFP professional to observe both the letter and the spirit of the Code.

Principle 8: Professionalism

A CFP professional shall act in a manner that reflects positively upon the profession.

Professionalism refers to conduct that inspires confidence and respect from clients and the community and embodies all of the other principles within the Code.

Rule 1: A CFP professional shall not engage in or associate with conduct involving dishonesty, fraud, deceit or misrepresentation, or knowingly make a false or misleading statement to clients or any other parties.

Rule 2: A CFP professional shall not engage in any conduct that reflects adversely on his or her integrity or fitness as a CFP professional, the CFP marks or the profession.

***Standards of Professional Responsibility for CFP Professionals and FPSC Level 1
Certificants in Financial Planning – January 2019 to March 2019***

Rule 31: A Certificant shall meet all FPSC requirements for continued certification, including:

- b. Advising FPSC, in writing, of any changes to prior Legal Declarations within 15 days of becoming aware of new information;

***Standards of Professional Responsibility for CFP Professionals and FPSC Level 1
Certificants in Financial Planning – January 2020 – June 2021***

Principle 2: Integrity

A Certificant shall always act with integrity.

Integrity means rigorous adherence to the moral rules and duties imposed by honesty and justice. Integrity requires the Certificant to observe both the letter and the spirit of the Code of Ethics.

Principle 8: Professionalism

A Certificant shall act in a manner reflecting positively upon the profession.

Professionalism refers to conduct that inspires confidence and respect from clients and the community, and embodies all of the other principles within the Code of Ethics.

Rule 1: A Certificant shall not engage in or associate with individuals engaged in conduct involving dishonesty, fraud, deceit or misrepresentation, or knowingly make a false or misleading statement to clients or any other parties.

Rule 2: A Certificant shall not engage in any conduct that reflects adversely on his or her integrity or fitness as a Certificant, the certification marks or the profession.