



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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**IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, c. S.5, as amended**

- AND -

**IN THE MATTER OF
OVERSEA CHINESE FUND LIMITED PARTNERSHIP,
WEIZHEN TANG AND ASSOCIATES INC.,
WEIZHEN TANG CORP. AND WEIZHEN TANG**

DECISION

Hearing: November 13, 2009

Decision: December 10, 2009

Panel: James E. A. Turner Vice-Chair and Chair of the Panel
David L. Knight, FCA Commissioner

Counsel: Hugh Craig For the Ontario Securities Commission
Matthew Boswell

Loftus J. Cuddy For Oversea Chinese Fund Limited Partnership,
Weizhen Tang and Associates Inc., Weizhen Tang
Corp. and Weizhen Tang

DECISION

[1] This is an application to permit Mr. Weizhen Tang to trade in foreign currencies, under the supervision of a portfolio manager yet to be identified, on his own behalf and on behalf of forty-two investors in Oversea Chinese Fund, LP (“Oversea”) who have signed consents requesting that the Commission permit Mr. Tang to do so. We note that there are other investors opposed to permitting Mr. Tang to trade.

[2] Staff asks the Commission to extend the temporary cease trade order issued in this matter (the “Temporary Cease Trade Order”) until the completion of a related criminal proceeding that is currently scheduled to begin on April 12, 2010, in the Ontario Court of Justice.

[3] Upon considering the evidence and submissions of the parties, we gave an oral ruling and issued an order extending the Temporary Cease Trade Order.

[4] The allegations against Mr. Tang in this matter are very serious. He has acknowledged to Staff that:

- (i) he failed to disclose investment losses to investors;
- (ii) he created misleading and untrue investor account statements reflecting significantly inflated investment values;
- (iii) he made statements in which he significantly inflated the value of Oversea’s assets under management; and
- (iv) all invested funds have been dissipated such that no money is left.

[5] Staff alleges that Mr. Tang has made representations through his website that are untrue.

[6] Staff alleges that Oversea is a “Ponzi scheme” and that investor redemptions were paid from the investments made by others. It appears that as much as \$30 million has been lost by investors as a result of Mr. Tang’s activities.

[7] While these allegations by Staff have not yet been proven, they are very serious and a number of them have been admitted by Mr. Tang.

[8] We find that Mr. Tang has not met the onus on him to provide satisfactory information to Staff that would refute the allegations against him. To the contrary, he has admitted a number of very serious allegations.

[9] We are very sympathetic to the plight of investors who appear to have lost their entire investment in Oversea. We certainly understand why investors would hope to recoup some of that loss. If investors wish to invest further, there are ways for them to do so other than through Mr. Tang.

[10] Where there is credible evidence of serious harm to investors and our capital markets, the Commission must act to prevent further harm to existing or new investors.

[11] The order requested by Mr. Tang would permit him to continue to trade without registration in breach of the Act. It would allow Mr. Tang to accept more money from investors. It would permit him to potentially cause further harm to investors and to the integrity of capital markets. We cannot permit the risk of that occurring.

[12] Not only has Mr. Tang failed to satisfy us that the Temporary Cease Trade Order should be varied, but his affidavit filed in support of his motion and the investor authorizations he relies on assist us in concluding that we must continue the Temporary Cease Trade Order to protect the public interest.

[13] Accordingly, Mr. Tang's application was dismissed. The Temporary Cease Trade Order was extended to June 30, 2010. This matter shall return before the Commission at 10:00 a.m. on June 29, 2010.

DATED AT Toronto this 10th day of December, 2009.

"James E. A. Turner"

"David L. Knight"

James E. A. Turner

David L. Knight, FCA