



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
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Toronto ON M5H 3S8

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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 7997698 CANADA INC., carrying on business as
INTERNATIONAL LEGAL AND ACCOUNTING SERVICES INC., WORLD
INCUBATION CENTRE, or WIC (ON), JOHN LEE also known as CHIN LEE, and
MARY HUANG also known as NING-SHENG MARY HUANG**

ORDER

WHEREAS:

1. on November 21, 2014, the Ontario Securities Commission issued a temporary order, pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O., c. S.5., as amended, ordering the following:
 - a. that all trading in any securities by 7997698 Canada Inc., carrying on business as International Legal and Accounting Services Inc., World Incubation Centre, or WIC (ON) (“7997698”), John Lee also known as Chin Lee (“Lee”), and Mary Huang also known as Ning-Sheng Mary Huang (“Huang”) shall cease; and
 - b. that the exemptions contained in Ontario securities law do not apply to any of 7997698, Lee, and Huang (the “Temporary Order”);
2. on November 21, 2014, the Commission ordered that the Temporary Order shall expire on the 15th day after its making unless extended by order of the Commission;

3. on November 24, 2014, the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on Wednesday December 3, 2014 at 10:00 a.m.;
4. the Notice of Hearing set out that the hearing was to consider, among other things, whether, in the opinion of the Commission, it was in the public interest, pursuant to subsections 127(7) and (8) of the Act, to extend the Temporary Order until the conclusion of the proceeding or until such further time as considered necessary by the Commission;
5. Staff of the Commission served the Respondents with copies of the Temporary Order, the Notice of Hearing, the Hearing Brief, the Supplementary Hearing Brief, and Staff's Written Submissions and Brief of Authorities as evidenced by the Affidavits of Service sworn by Steve Carpenter on December 1, 2014 and December 2, 2014, and filed these materials with the Commission;
6. on December 3, 2014, the Commission held a hearing, which Lee attended but Huang did not attend although properly served, and at which the Commission heard submissions from counsel for Staff and from Lee on his own behalf and on behalf of 7997698 and Huang and the Commission ordered that the Temporary Order was extended to June 3, 2015 and that the proceeding was adjourned until Wednesday, May 27, 2015, at 10:00 a.m.;
7. on March 11, 2015 the Commission issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O., c. S.5, as amended, in connection with a Statement of Allegations filed by Staff of the Commission on March 11, 2015 with respect to 7997698, Lee, and Huang (collectively, the "Respondents");
8. the Notice of Hearing set a First Appearance for Friday April 10, 2015;
9. on April 2, 2015, counsel for Staff and counsel for 7997698 and Lee requested an adjournment of the First Appearance;

10. on April 9, 2015, the Commission ordered that the First Appearance would be held at 2:00 p.m. on Thursday April 23, 2015;
11. on April 23, 2015, counsel for Staff and counsel for the Respondents 7997698 and Lee appeared before the Commission for a First Appearance and the Commission ordered that:
 - a. Staff shall provide to the Respondents disclosure of documents and things in the possession or control of Staff that are relevant to the hearing on or before May 22, 2015,
 - b. the First Appearance shall continue at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto, Ontario commencing on Wednesday May 27, 2015 at 10:00 a.m. or as soon thereafter as the hearing can be held for the purpose of providing a status update with respect to service on Huang,
 - c. the Second Appearance shall be held at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto, Ontario commencing on Wednesday July 22, 2015 at 10:00 a.m. or as soon thereafter as the hearing can be held,
 - d. any requests by any of the Respondents for disclosure of additional documents should be set out in a Notice of Motion to be filed no later than 5 days before the Second Appearance,
 - e. at the Second Appearance, any motions by any of the Respondents with respect to disclosure provided by Staff will be heard or scheduled for a subsequent date, and

- f. in the event of the failure of any party to attend at the time and place stated above, the hearing may proceed in the absence of that party, and such party is not entitled to any further notice of the proceeding;
12. on May 15, 2015, with respect to the Temporary Order, Staff served the Respondents with copies of a Further Supplementary Hearing Brief (two volumes), Supplemental Staff Written Submissions, and a Supplemental Brief of Authorities;
13. on May 27, 2015, the Commission held a hearing at which counsel for Staff attended but no one attended for the Respondents, and the Commission heard submissions from counsel for Staff and the Commission was advised that (i) Huang had retained counsel, and (ii) the Respondents sought an adjournment of the proceeding and counsel for Staff filed a consent of the Respondents, signed on their behalf by their counsel, to an order extending the Temporary Order until one week after the Second Appearance and the Commission ordered that the Temporary Order was extended until July 29, 2015; and specifically:
 - a. that all trading in any securities by the Respondents shall cease,
 - b. that the exemptions contained in Ontario securities law do not apply to any of the Respondents,
 - c. any person or company affected by this Order may apply to the Commission for an order revoking or varying this Order pursuant to s. 144 of the Act upon seven days written notice to Staff of the Commission, and
 - d. the proceeding was adjourned until Wednesday July 22, 2015 at 10:00 a.m.;
14. on July 22, 2015, counsel for Staff and counsel for the Respondents appeared before the Commission for a Second Appearance and advised that the Respondents consented to an order that the Temporary Order be extended to the conclusion of the merits hearing and

the Commission ordered that the Temporary Order was extended until April 29, 2016; and specifically:

- a. that all trading in any securities by the Respondents shall cease;
- b. that the exemptions contained in Ontario securities law do not apply to any of the Respondents;
- c. the Respondents shall make disclosure to Staff of their witness list and summaries and indicate any intent to call an expert witness, and provide Staff the name of the expert and state the issue on which the expert will be giving evidence on or before September 9, 2015;
- d. the proceeding “IN THE MATTER OF 7997698 CANADA INC., carrying on business as INTERNATIONAL LEGAL AND ACCOUNTNG SERVICES INC., WORLD INCUBATION CENTRE, or WIC(ON), JOHN LEE also known as CHIN LEE, and MARY HUANG also known as NING-SHENG MARY HUANG,” commenced by Notice of Hearing on November 25, 2014, shall be combined with the proceeding “IN THE MATTER OF 7997698 CANADA INC., carrying on business as INTERNATIONAL LEGAL AND ACCOUNTNG SERVICES INC., WORLD INCUBATION CENTRE, or WIC(ON), JOHN LEE also known as CHIN LEE, and MARY HUANG also known as NING-SHENG MARY HUANG,” commenced by Notice of Hearing on March 11, 2015, and any further notices or orders shall be made under a single style of cause of that title of proceeding; and
- e. the Third Appearance shall be held at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto, Ontario commencing on Thursday September 24, 2015 at 2:00 p.m. or as soon thereafter as the hearing can be held;

15. on September 14, 2015, Staff made a motion with respect to the witness list and witness summaries provided by Lee and 7997698 returnable at the Third Appearance or a date to be set at the Third Appearance (“Staff’s Witness Motion”);
16. on September 24, 2015, counsel for Staff, counsel for Huang, and Lee appeared before the Commission for the Third Appearance, and Lee advised that he represented 7997698, and although the Respondents were properly served, the Commission made no finding regarding Lee’s capacity to represent 7997698;
17. on September 24, 2015, counsel for Staff and Lee made submissions, and Lee requested an adjournment so that he could properly respond to Staff’s Witness Motion; and
18. the Commission is of the opinion that it is in the public interest to make this Order;

IT IS ORDERED THAT:

1. a confidential pre-hearing conference shall be held at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto, Ontario commencing on Tuesday October 6, 2015 at 2:30 p.m., or on such other date and time as provided by the Office of the Secretary and agreed to by the parties, at which the Panel may, among other things, consider with the parties agreed upon facts or evidence and the resolution of any or all of the allegations in the proceeding or the issues in Staff’s Witness Motion; and

2. Staff's Witness Motion, if necessary, and the continuation of the Third Appearance shall be held at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto, Ontario commencing on Thursday October 19, 2015 at 9:30 a.m., or on such other date and time as provided by the Office of the Secretary and agreed to by the parties.

DATED at Toronto this 24th day of September, 2015.

"Timothy Moseley"

Timothy Moseley

"Janet Leiper"

Janet Leiper