

*This is the 2nd affidavit of Sean Riley in this case and
was made on the 19th of July 2011*

BETWEEN:

SEÁN RILEY 瑞利山, Beijing China,

PLAINTIFF

AND:

JOHN PARK, RESIDENT AT ---- CHURCHILL STREET IN VANCOUVER, B.C. CANADA V6P ---, PRESIDENT AND OWNER OF 678741 BC LTD., A BRITISH COLUMBIA CORPORATION INDIRECTLY OWNED BY OR ON BEHALF OF JOHN PARK AND MEMBERS OF HIS FAMILY, ITS OFFICE LOCATED AT 1300-1030 WEST GEORGIA STREET, VANCOUVER, BRITISH COLUMBIA, OWNER OF RCI CAPITAL GROUP INC., OWNER OF RCI HOLDINGS INC., OWNER OF ROYAL CANADIAN IMMIGRATION FUND INC., OWNER OF RENAISSANCE CAPITAL INC., OWNER OF RCI INVESTMENT MANAGEMENT INC., OWNER OF RCI CAPITAL INDIA PVT. LTD., OWNER OF RCI CONSULTANTS LTD., OWNER OF RCI ASSET MANAGEMENT INC. AND ITS SUBSIDIARY RCI CAPITAL GROUP (US) INC., WHICH IS 50% OWNER OF RCI FIRSTPATHWAY PARTNERS, LLC.

DEFENDANT

Affidavit

I, SEÁN RILEY (AKA 瑞利山), a Canadian citizen and business executive residing in Beijing China, MAKE OATH AND SAY THAT:

1. I am the plaintiff in this matter and have personal knowledge of the matters herein referred to.
2. I was employed as a senior executive by RCI Capital Group Inc. ("RCI"), the administrative parent company of a private Vancouver-based financial services group specializing in sourcing, financing and managing the immigrant investor-related funds of high net worth investors who immigrate to either Canada or the United States with their families under the auspices of either of these countries' respective investor immigrant programs. I worked full-time for RCI exactly 5 years from June 12 2006 to June 12 2011 inclusive. RCI-associated websites are www.rcichina.com, www.rcican.com, www.rcicapitalgroup.com, www.rcifpp.com, and www.rcicapitalindia.com.

3. My first position for RCI was as its Vancouver Head Office-based Vice President; a job I held from June 12, 2006 until January 2010. The owner of RCI is John Park, a South Korean with Canadian citizenship (Canadian passport No. BA34---19).
4. At the time I first came to work for RCI in June 2006, John Park had emphasized to me that we shared the same Christian-based moral compass with similar beliefs about maintaining integrity and good ethics in business. I believed this to be true at the time, and this belief in Park's integrity was very integral to my having agreed to join RCI and work with Park. He knew beforehand that I did not want to be associated with any company that I thought might be undertaking unethical activities or that could give me a bad reputation by association.
5. In my capacity as Vice President, Park came to rely on me for developing most major new business projects or business initiatives, chief amongst those being to help develop a proposal and write a business plan to be submitted to the Canadian government's Office of the Superintendent of Financial Institutions (OSFI) for RCI to obtain approval to operate as a Schedule 1 Canadian-owned bank.
6. On or about July 24, 2007, John Park asked to meet me to discuss what he said was a "priority initiative" he needed me to work on urgently. I went into his office and he proceeded to tell me he had thought of a great plan to remove one or more of his biggest Quebec-based financial institution competitors in the Canadian immigrant investor program from being able to do business in China which is by far the largest source for immigrant investors bound to Canada. He said he wanted me to put all other work aside and to immediately begin research to support his plan.
7. He told me he recalled having read in the Financial Post about Desjardins Financial Group or Laurentian Bank purchasing a lot of Taiwan government debt recently and that gave him an idea. He said he had been trying to think about how RCI could get a leg up on its competition in China and now he had a perfect plan to do so. I noted he was visibly excited about the prospect. At this point I was expecting him to layout a new marketing innovation or creative initiative yet the scheme he proceeded to reveal to me was anything but that.
8. John Park told me that he come up with an idea to have a Chinese Canadian contact of his with purportedly close Chinese government ties show evidence to the Chinese government that one or more of his major Quebec-based financial institution competitors had originally been founded by Quebec separatists and nationalists. At first he said he wanted me to do my best research and find out if any or all of Desjardins Group, Laurentian Bank or National Bank had ties to Quebec separatism and whether there was a public record of any of their officials at any time speaking out in favour of that province's separation from Canada. He also wanted me to find evidence that any of the officials of those financial institutions or even Quebec politicians had made any statements sympathetic or supportive of Taiwan or Tibet nationalism or separatism. He said he needed to put together a report as quickly as possible and have it translated into Chinese and given to his colleagues. Park's plan was to instruct his colleagues to then show whatever evidence he could put together to Chinese government officials to try to influence them to ban the Quebec financial institution from doing business in China and thereby financially benefit RCI.
9. From the very outset of hearing of Park's scheme, as diplomatically as possible, yet in no uncertain terms, I let him know that I thought this was all a very bad idea. I tried my best to reason with him and dissuade him from proceeding but he was very adamant. He said he already promised his contacts he would get

them the information. I told him I didn't feel comfortable about the idea and that I thought it wouldn't work anyway, but he said it was worth a try. Seeing my obvious reluctance and contrarian attitude, Park backed down a bit in displaying his enthusiasm but I noticed my reasoning didn't dissuade him at all.

10. I went on to tell Park my opinion that I doubted there was information available to support his claims and pointed out a few of the obvious risks in going ahead with his plan should he even be able to put together enough evidence to back his hypothesis. When I reminded him that he owned Montreal-based Renaissance Capital Inc. and asked him how he intended to control Renaissance not being banned in China too or even risking the entire Quebec immigrant investor program in that country being closed down, he said he had that covered. He revealed that the plan also included convincing the Chinese government to regulate all financial institutions offering immigrant investment products by requiring them to register and invest in having offices in China. He pointed out that whereas most of RCI's competitors had offices in Hong Kong and sent personnel to market in China from there, RCI was the only company registered in China with three foreign representative offices (Beijing, Shanghai and Guangzhou at the time but now only Beijing and Shanghai). He said when the offending Quebec financial institution competitor was required to register they would be denied and effectively would lose their China market share. He further elaborated that he hoped to arrange for other competitors' registration and market entry to be delayed for a while in order to give time for RCI to go after their market shares.
11. The more I heard about his plan the more convoluted and improbable it sounded and I let him know. I said it was highly unlikely anyone, no matter how good their connections, could ever guarantee the outcome of such a complex plot. I also told him I was pretty sure without even doing any research yet that it was a waste of time. I explained it would take possibly days if not weeks to properly research what he was looking for and put together any sort of report that would bear scrutiny or seem the least bit credible. His response was to narrow the search field to concentrate on Desjardins since that was his main competitor. He said if it worked with Desjardins then later he could look at others.
12. Still undeterred by my arguments, he insisted that I at least try to see what I could find out for him. He told me to start by searching online and gave me the password for his Financial Post stock market research news account, asking me to try to find the article he recalled reading about buying Taiwan government debt.
13. I searched the Financial Post online and several web browsers for mention of Desjardins holding Taiwanese government debt notes but found nothing. As per the following excerpt from a July 25, 2007 email from me to John Park and attached to this Affidavit as **Exhibit "A"**, I told Park that "Desjardins ties in Quebec are so widely accepted and it has such a strong presence there that any possible connections are discrete and interpersonal. They are such a big financial institution that no one would dare to even infer connections because they would be sued. Moreover, it is a revered institution in Quebec with wide public support." I later reiterated the same thing verbally to Park and again recommended that it wasn't such a good idea to go after a large Quebec financial institution by trying to paint them as pro-separatist supporting both Taiwan and Tibet independence. I warned him this plan of his could be seen as trying to meddle in Canadian or Chinese politics and have unintended consequences beyond his control.
14. After reporting to Park that my research could find little to support his claims and that I didn't think it was worthwhile to do any more research, he questioned if I was trying hard enough. I assured him I did all I could and didn't think it was worth continuing. Instead of stopping there as I recommended, he asked me

for advice about how to hire a professional researcher to help find the information he wanted. I told him that could be costly and still yield little results but if he wanted to look for more information, I suggested contracting the research services of a public library as the most cost-effective route to go. Park subsequently instructed me to contact the Calgary Public Library to get a quote for services and contract them to do the research. Park, who previously lived in Calgary and has several relatives there, said he would get his brother-in-law or another relative to pay for the research so it couldn't be easily traced to RCI. Attached to this Affidavit as **Exhibit "B"** is an August 8, 2007 email from the Enhanced Information Services Department of the Calgary Public Library confirming receipt of the Desjardins research request details from RCI.

15. Attached to this Affidavit as **Exhibit "C"** is an August 11, 2007 email to Calgary Public Library concerning ongoing Desjardins research status forwarded to John Park by me.
16. Attached to this Affidavit as **Exhibit "D"** is an 86-page PDF document titled "Desjardins and Quebec Separatist Movement Research (CPL EIS)" dated August 14, 2007 which contains numerous newspaper and periodical articles, a Hansard transcript as well as book excerpts compiled by a researcher named Patrick at the Calgary Public Library. As instructed by John Park, I highlighted all relevant passages then gave a USB and hard copy of the document to him.
17. I had done my best to discourage Park from doing anything with the research and I had nothing further to do with his plan. He also kept me in the dark as to what happened with the research other than saying he sent a copy to Fred and Li Nan Eden, a Beijing and Vancouver-based husband and wife who were both directors on RCI's board and long-time associates of Park since the early 1990's when he owned a small immigrant investor fund together with them. In September 2007, Fred Eden would be appointed as Managing Director of RCI Operations in China. I can only assume Park's plan to discredit Desjardins soon after ran into a road block or was abandoned eventually because of its contrived complexity. At the time, although very concerned Park even attempted the plan, I rationalized that he was just being overzealous about a very bad idea that fizzled out as common sense took hold was nipped in the bud soon after inception. I heard nothing more about it.
18. Quite ironically, over 2008 and 2009, it was Desjardins who would benefit significantly after there were accusations from immigration agents in China that RCI was allegedly conducting business beyond the scope of its foreign representative office registrations in Shanghai and Beijing. The public security bureau and tax officials investigated, RCI's two Canadian financial institution partners – BMO and RBC - ceased providing financing to the company so RCI temporarily could not finance its immigrant investor clients, and RCI's China offices were closed for several months while an investigation ensued.
19. A young Quebec lawyer who worked in RCI's Beijing office also got unwittingly caught up in the mess in June 2009 when a Beijing policeman asked him to produce his work permit and passport during one of several visits by officials to RCI's China offices. For some unknown reason, the lawyer decided to wrestle with the officer instead of complying. In contrast, another RCI lawyer also in the Beijing office, as also requested by police, simply produced his documents to prove he was legally working in China and had no problems. Unfortunately as a result the young wrestling lawyer was jailed and pled guilty to obstructing a public official from performing his duties. My view was that he was an innocent pawn caught in the wrong place at the wrong time as a direct result of his employer's misdeeds of which he himself had no knowledge whatsoever. He was certainly a victim of misunderstanding but also – on his own part - poor

judgement in perhaps panicking and reacting the wrong way by not fully cooperating and thinking it was a good idea to wrestle with a police official going about his business in a foreign country. After seven months in custody, the RCI lawyer was deported to Canada but was not disbarred and was luckily able to continue practicing law in Quebec. To my knowledge, RCI never even apologized to him for putting him in such a horrible predicament. Park instead blamed the lawyer for bad judgement and causing even more problems for the company.

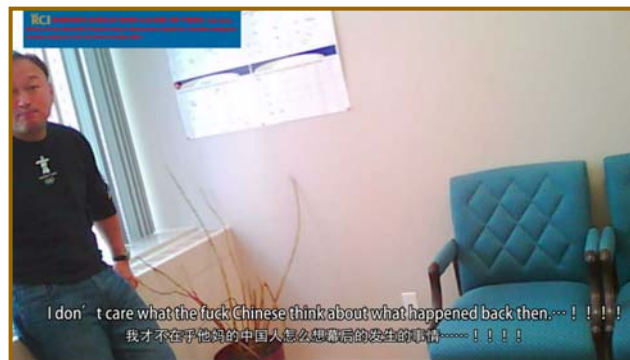
20. As a result of all of what transpired in China and agents abandoning RCI in droves, RCI lost millions in revenue throughout 2009 and early 2010. A significant market share went to Desjardins and other competitors as most immigration agents in the world's largest immigrant investor market turned away from RCI. At the time, John Park convincingly blamed all of RCI's problems in China entirely on Fred and Li Nan Eden and claimed he knew nothing about what they were up to. At the time, I believed Park's assertions to be entirely true because he persuaded me so. I only knew of the Edens what he told me as I had little contact with them myself and did not know them well.
21. On February 5, 2010, I moved from Vancouver to Beijing and took on a new job as Senior VP & Managing Director-China responsible for the group's operations and marketing in China and Taiwan. My office was located in the RCI Beijing Representative Office (Registration Certificate of Foreign Enterprises Permanent Office in China No. 110000400184923). My goals were to repair RCI's reputation and recapture our lost market share. I set about doing this with remarkable success. However, I did so only because I did not know that it was Park who was behind all of RCI's problems in China the whole time. Had I known, I never would have taken the job.
22. On April 23 2011 in my Beijing office, Park confessed that he knew about the Edens taking a tax department official to meet with Henry Global President Henry Zou in 2007 or 2008 with the aim to show their clout with officials and somehow intimidate or 'strong-arm' (blackmail or coerce) him into doing business with RCI. Moreover, Park confessed that he told them to stop but only once they realized the ploy was not working as intended. This admission was contrary to what he had told me numerous times before and what I had previously been led by him to believe was true. Later, on May 11, Park again reconfirmed that he in fact did this in a reply email to me sent from his jpark@rcicapitalgroup.com email address to me at sriley@rcichina.com. That email is attached herewith to this Affidavit as **Exhibit "E."** Shortly after receiving the email, I showed it to several colleagues and confidants, expressing my shock at having been so misled by Park all this time. On June 12, 2011, in his Vancouver office, Park again admitted to trying to intimidate Henry Global's owner with tax officials; this time on video.
23. Henry Global is by far China's biggest licensed immigration agency with over 40 offices and 600 staff. I could not believe Park could undertake such an unethical, irresponsible and illegal action. **It immediately reminded me of what Park in August 2007 had previously tried to do to Desjardins, RCI's major Canadian financial institution competitor.** I strongly advised John Park against it at the time and summed it up to just really bad judgement or a bad idea apparently nipped in the bud but had kept records of the event in case he ever carried it out and I needed to quit and protect my interests by disassociating with him. I became very angry with him upon learning about his culpability in regard to the recent intimidation of Henry Global and now clearly saw this as part of **an ongoing pattern of malfeasant behaviour** on his part. Had I known this I never would have taken the risk of coming to China and assuming the role of the face of RCI (look what happened to the innocent lawyer).

24. Once I had assumed the legal role as "Chief Representative" of RCI's two registered China foreign representative offices in Beijing and Shanghai, I became fully exposed to potentially bearing legal responsibility for any improper or illegal actions of the company in a foreign country and I never would have done so had I known the truth that the owner of RCI was the person responsible for misdeeds against China's agent community. Since taking up my new duties as RCI's Managing Director- China at the beginning of 2010, I had talked to countless agents across China saying that John Park was in fact a "good guy" and repeated what Park had so convincingly led me to believe; that RCI's previous China management had pursued their agenda without Park's knowledge. Most of all, had I known that Park had done this to Henry Global Group owner Henry Zou and allegedly to other agents as well, I never would have had the nerve to approach someone the company had previously tried to coerce to do business. I was shocked that I had undertaken this job at great personal risk and I had not spoken to John Park since that day until June 12 when I would go to meet Park in Vancouver at his behest. It had become crystal clear to me as of April 23 and increasingly thereafter that John Park would not honour his commitments. Moreover, because of the realization that he was capable of systematic and morally reprehensible skulduggery against respected agents, competitors and even loyal staff, I immediately decided I should quit RCI as soon as I got my affairs in order and determined the best exit strategy.

25. On the evening of May 31, 2011, I had a dinner meeting at the Water Bar and Restaurant in Beijing with RCI's Renaissance Capital Inc. President Sylvain Payette (Canadian passport no. BA2-----). Payette had been sent to Beijing by Park to deal with my growing complaints and rebellion against Park after all of his revelations to me on April 24 and 24 as well as what I found out after that. Ms. Chen Yi Yun, a Chinese citizen, was also present. During that meeting, amongst other concerns I talked to him about, I told Payette about how Park had planned to try to have Desjardins Financial Group banned from China. Instead of showing the same concern or shock as might be expected, instead Payette expressed regret that Park's plan didn't work. Payette went on to elaborate that "considering all the trouble Desjardins caused for RCI" Desjardins deserved worse. Ms. Chen was a witness to Payette's statements and I also have evidence to the fact.

26. On Sunday June 5, 2011 I met for lunch in Beijing with Fred Eden, a former member of RCI's Board of Directors and the person who was RCI's Managing Director in China before me. In that meeting, I told Fred that I would soon leave RCI as Park had lied to me about his not even knowing about how Fred and his wife were running RCI operations in China. Fred confirmed to me that not only did Park know but directed their actions, actively encouraged them, and constantly pushed for them to take whatever means necessary to accomplish his goals. Amongst other revelations, Fred also stated the Edens found Park "far too aggressive sometimes" in his schemes and "had to tell him to slow down."

27. On June 10, as requested by John Park, I traveled to Vancouver and then met him in his office boardroom on Sunday June 12, 2011. That day, we met at 1PM and then he called me back to meet him again at 2:30PM. In both meetings, Park again freely admitted before me to trying to coerce Chinese immigration agency Henry Global's president and owner to do business with RCI by intimidating the owner with a Chinese tax official



attending a meeting between Henry and RCI's management.

28. In the second meeting on June 12, Park also freely admitted to attempting to paint major financial institution competitor Desjardins Financial Group as having separatist government roots which were sympathetic to both Taiwan and Tibet separatist causes. His bizarre and reckless plan was to get someone to give research supporting his argument to the Chinese government and try to that competitor somehow banned from doing business in China by requiring all Canadian financial institutions offering immigrant investor programs in China to be licensed and simply denying one to Desjardins.
29. The following is a partial transcript excerpt from video of John Park taken at his Vancouver office after 2:20PM, Sunday, June 12, 2011:

(00:18:08:02 Sean) "How about your 2007 plan to try and set up and tie them with Taiwan and separatists?" (Referring to RCI's biggest competitor in the Quebec Immigrant Investor Program, Desjardins Financial Group (Mouvement des Desjardins)?)



“那么关于2007年你计划设计陷害加鼎华阜合作银行并且把他们和台湾和分裂主义者联系在一起是怎么回事呢？”(谈及加拿大皇家投资集团的竞争对手之一加鼎华阜合作银行?)

(18:15 Park) "Yes? Yes? Fred and Li Nan had a copy of the very manual you put together." "是吗? 是吗? Fred和Li Nan有你们一起起草的手稿。”

(18:23 Sean) "I had outside researchers do it. The Vancouver (Public) Library and Calgary (Public) Library. And your relatives had paid for it" (referring Park's cousin or brother-in-law paying for the Calgary Library research). 我让你外面的调查员自己去做，温哥华公共信息处和卡尔加里公共信息处。并且由你的亲戚支付费用了。(谈及关于Park的表亲支付了卡尔加里公共信息处的调查费用) ”

(18:25 Park) "That's right. That's right." "对呀。对呀。”

(18:30 Sean) "And I told you I can't do it." "而且我告诉你我不能做这个事情。”

(18:34) "You put it together and I gave it to Fred and Li Nan and that's what they know." "你整理在一起然后我给Fred 和Li Nan，这是他们所知道的。”

(18:37 Sean) "Yeah (yes). Reluctantly and I advised against doing it! So I took measures at the time John, and I would have had to leave (quit RCI) had you have gone through with that plan John." "是呀，被勉强的而且我建议反对做这种事情！所以我那时候是仔细衡量过的。John，并且如果你执意继续完成那个整个计划的话我肯定要离开公司的。John。”

(18:49 Park) "It's all public information. It's all public information. Right?" "都是公共信息，都是公共信息。不是吗?”

(18:51 Sean) "Public information? What are you talking about?" "公共信息？你在说什么呀？”

(18:53 Park) "Everything that you put together is public information." "你所指的所有都只是公共信息。”

(19:00 Sean) "Not the fact that you were going to give it to the Chinese government and try to get Desjardins banned from China." "事实上当你准备要把他交给中国政府并且企图陷害中国封杀加鼎华阜合作银行就不是的了。"

(19:06 Park) "I can't believe you are bringing this up. You are really reaching Sean. You knew about this 5 years ago as well as anyone else. You knew it was a Fred and Li Nan plan that I agreed with - yes - where we thought you would do the research. Was I the one to give it to the Chinese?" "真不敢相信你提起这个。你是在找麻烦Sean。你5年以前就和其他人一样知道得一清二楚的了。你知道那是Fred和Li Nan的计划经过我的同意的。-确实是-我们想过让你来做这个调查。是我把它给中国政府吗?"



(00:19:22 Sean) "All I knew is that Fred and Li Nan were going to give it to the Chinese government." "我所知道的事实是Fred和Li Nan准备交给中国政府。"

(19:25 Park) "Yeah, that's right." "对呀，确实如此。"

(19:25 Sean) "What a thought it would be your plan." "想来那是你的计划的了。"

(19:28 Park) "Ha, ha, ha (Park laughing). Okay Sean." "哈哈 (Park冷笑)。好吧。Sean。"

(19:33 Sean) "Anyway, just another bad idea nipped in the bud John." "无论如何，又是另外一个坏主意被消灭在萌芽阶段。John"

(19:37 Park) "Another bad idea?" "另外一个坏主意?"

(19:38 Sean) "Like going after your agents. Going after your competitors, going after agents." "比如你威胁设计你的中介们，设计你的竞争对手，设计中介。"

(00:19:47 Park) "I said Sean. That was one time with Henry Global okay? That's what I told you from day one. If you found out more subsequent, I told you in an email that I don't know of any other case. And you said you found out another case in Guangzhou" "我说过Sean。就只有一次对亨瑞做过好吗？我第一天就告诉过你了。如果你随后发现了更多，我在一个电子邮件告诉了我对其他案件不知情。而且你说你发现广州又有另外一个案件。..."

AFFIRMED BEFORE ME
at the City of Beijing, P.R. China
on 19/07/2011

Name: Grace Wang
Title: Consular Officer
A Commissioner for Taking Affidavits in the
Embassy of Canada to China



Seán Riley
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