



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor
20 Queen Street West
Toronto ON M5H 3S8

CP 55, 19^e étage
20, rue queen ouest
Toronto ON M5H 3S8

**IN THE MATTER OF THE *SECURITIES ACT*,
R.S.O. 1990, c. S.5, AS AMENDED**

- AND -

**IN THE MATTER OF
ZUNGUI HAIXI CORPORATION, YANDA CAI and FENGYI CAI**

**NOTICE OF HEARING
(Sections 127 and 127.1)**

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to sections 127 and 127.1 of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") at the offices of the Commission at 20 Queen Street West, 17th Floor Hearing Room on November 23, 2011 at 11:00 a.m., or as soon thereafter as the hearing can be held, to consider:

- (i) whether, in the opinion of the Commission, it is in the public interest, pursuant to sections 127 and 127.1 of the Act to order that:
 - (a) trading in the securities of Zungui Haixi Corporation ("Zungui"), whether direct or indirect, cease permanently or for such period as is specified by the Commission;
 - (b) trading in any securities by Zungui, Yanda Cai or Fengyi Cai (collectively the "Respondents") cease permanently or for such period as is specified by the Commission;

- (c) the acquisition of any securities by the Respondents is prohibited permanently or for such other period as is specified by the Commission;
 - (d) any exemptions contained in Ontario securities law do not apply to the Respondents permanently or for such period as is specified by the Commission;
 - (e) the Respondents be reprimanded;
 - (f) Yanda Cai and Fengyi Cai (collectively the "Individual Respondents") resign one or more positions that they hold as a director or officer of any issuer, registrant, or investment fund manager;
 - (g) the Individual Respondents be prohibited from becoming or acting as a director or officer of any issuer, registrant, and investment fund manager permanently or for such period as is specified by the Commission;
 - (h) the Individual Respondents be prohibited from becoming or acting as a registrant, as an investment fund manager and as a promoter permanently or for such period as is specified by the Commission;
 - (i) the Respondents be ordered to pay the costs of the Commission investigation and the hearing.
- (ii) whether to make such further orders as the Commission considers appropriate.

BY REASON OF the allegations as set out in the Statement of Allegations of Staff of the Commission dated November 7, 2011 and such further additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceedings may be represented by counsel at the hearing;

AND TAKE FURTHER NOTICE that upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceedings.

DATED at Toronto this 7th day of November, 2011

“John Stevenson”

John Stevenson
Secretary to the Commission

TO: Zungui Haixi Corporation

AND TO: Yanda Cai

AND TO: Fengyi Cai