

2006 BCSECCOM 416

Notice of Hearing

**Fairtide Capital Corporation, Bayshore Management Corporation,
Gibraltar Consulting Corporation, Richard Norman Jeffs,
Robert Leigh Jeffs, and Francis Jason Dean Biller**

Section 161 of the *Securities Act*, RSBC 1996, c. 418

- ¶ 1 The Commission will hold a hearing at which the Executive Director will tender evidence, make submissions and apply for orders against Fairtide Capital Corporation (Fairtide), Bayshore Management Corporation (Bayshore), Gibraltar Consulting Corporation (Gibraltar), Richard Norman Jeffs (RNJ), Robert Leigh Jeffs (RLJ) and Francis Jason Dean Biller (Biller) (collectively the Respondents), under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418.
- ¶ 2 The Executive Director alleges that the following conduct and activity was contrary to the public interest:

Background

1. On February 16, 2000, the British Columbia Securities Commission prohibited Biller for ten years from trading in securities and engaging in investor relations (the Order).
2. Fairtide, Bayshore and Gibraltar were British Columbia corporations with offices at Suite 600 – 1100 Melville Street in Vancouver (the Premises).
3. During the period May 2002 to November 2002, Fairtide, Bayshore, and Gibraltar operated a room at the Premises (the Phone Room) that promoted securities to retail investors by telephone.
4. Callers in the Phone Room made thousands of cold calls to residences in British Columbia and elsewhere to encourage and pressure call recipients to purchase securities. Phone Room callers gave undertakings about the future price of securities and placed unreasonable pressure on call recipients to purchase securities.
5. Fairtide marketed the services of the Phone Room to issuers and billed them for those services.
6. Bayshore employed the Phone Room callers.

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7. Biller managed the Phone Room, hired callers, organized the Phone Room, and drafted scripts for the callers to use. He provided these services as an employee of Gibraltar. Bayshore paid Gibraltar for Biller's services.
8. RNJ was a de facto officer or director of Fairtide and Bayshore. He provided start up capital for Fairtide and Bayshore, provided working capital to Bayshore, and made management decisions for both Fairtide and Bayshore. He recruited Biller to manage the Phone Room.
9. RLJ was a director of Bayshore, director and president of Fairtide, and director, president and secretary of Gibraltar. He supervised the Premises. On behalf of Gibraltar, RLJ set Biller's salary and subsequent pay increase.

Misconduct

10. Fairtide, Bayshore, Gibraltar, RNJ, RLJ, and Biller, through their operation and management of the Phone Room, and RLJ and RNJ, through their direction and management of Fairtide and Bayshore, and RLJ through his direction and management of Gibraltar, each :
 - (a) traded in securities, contrary to section 34(1)(a) of the Act;
 - (b) engaged in cold calling, contrary to section 49(2) of the Act;
 - (c) made prohibited undertakings as to future prices of securities, contrary to section 50(1)(b) of the Act; and
 - (d) engaged in unfair practices, contrary to section 50(1)(e) of the Act.
11. Biller traded in securities and engaged in investor relations, contrary to section 162(a)(ii) of the Act and the Order.
12. Based on the foregoing conduct and activity, Gibraltar, Bayshore, RNJ and RLJ, enabled Biller's contravention of the Order.

Hearing Process

- ¶ 3 At the Hearing, the Respondents may be represented by counsel, make submissions and tender evidence. The Respondents are requested to advise the Commission of their intention to attend the Hearing by informing the Secretary to the Commission at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: commsec@bcsc.bc.ca.
- ¶ 4 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on Thursday, July

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20, 2006, at 10:00 am if they wish to be heard before the Commission sets a date for the Hearing.

¶ 5 If the Respondents or their counsel do not appear at the Hearing, the Executive Director will apply to have questions of liability and sanction heard at the same time. Determinations adverse to the Respondents may be made in their absence.

¶ 6 June 28, 2006

¶ 7 Brenda M. Leong
Executive Director