

# 2011 BCSECCOM 310

## Amended Notice of Hearing

**VerifySmart Corp. (formerly known as Verified Capital Corp.), Verified Transactions Corp., Daniel Scammell and Casper de Beer aka Casha de Beer**

### 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 VerifySmart Corp. (VSC), Verified Transactions Corp. (VTC), Daniel Scammell (Scammell) and Casper de Beer aka Casha de Beer (de Beer) (collectively, the Respondents) under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

#### **Background**

1. VSC is a British Virgin Island company, incorporated on December 19, 2008, and has an office in Burnaby, British Columbia. Until September 23, 2009, VSC was known as Verified Capital Corp.
2. VTC is a British Virgin Islands company, incorporated on February 1, 2007, and has an office in Burnaby, British Columbia.
3. Scammell resides in Coquitlam, British Columbia. He is the sole director of VTC and is one of the directors of VSC. Scammell holds patents that he licensed to VTC and VSC.
4. De Beer resides in Burnaby, British Columbia, and is a director of VSC. De Beer solicited investments on behalf of both VSC and VTC.
5. None of the Respondents has ever been registered in any capacity under the Act.

#### **Misconduct**

##### ***Illegal Trading and Distributions***

6. The Respondents made the following securities distributions purporting to rely on the family, friends and business associates exemption (FFBA Exemption) under National Instrument 45-106 (NI 45-106):
  - (a) from September 2006 to December 2008, VTC and Scammell distributed common shares of VTC to 49 investors in British Columbia, Alberta and Washington state, raising a total of \$641,309.00; and

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- (b) from November 2008 to March 2009, VSC and de Beer distributed common shares of VSC to 50 investors in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario, raising a total of \$575,000.00

(the Distributions).

7. The FFBA Exemption did not apply to any of the Distributions.
8. Neither VTC nor VSC filed a prospectus in relation to the Distributions.
9. By trading and distributing securities without being registered or a prospectus having been filed, the Respondents contravened sections 34 and 61 of the Act.
10. Under section 168.2 of the Act, Scammell and de Beer contravened sections 34 and 61 of the Act by authorizing, permitting or acquiescing in the sale of VTC and VSC shares, and VSC shares, respectively.

### **Conduct Contrary to the Public Interest**

11. The Respondents' conduct set out in this Notice of Hearing was contrary to the public interest.

### **Hearing Process**

- ¶ 2 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on **Wednesday, December 8, 2010 at 9:00 am** if they wish to be heard before the Commission sets a date for the Hearing. Disclosure of the evidence in this case will be provided to the Respondents upon their request to the Executive Director.
- ¶ 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 If the Respondents or their counsel do not appear at the Hearing, the Executive Director may apply to have questions of liability and sanction heard at the same time. Determinations adverse to the Respondents may be made in their absence.
- ¶ 5 July 4, 2011
- ¶ 6 Langlely Evans  
Langlely E. Evans  
Acting Executive Director