

# 2011 BCSECCOM 546

## Temporary Order and Notice of Hearing

**EagleMark Ventures, LLC, Richard Lian (also known as Richard Terry Ruuska) and Enna M. Keller**

### **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 EagleMark Ventures, LLC (EagleMark), Richard Lian (also known as Richard Terry Ruuska) (Lian) and Enna M. Keller (Keller) under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act) based on the following facts:

#### **Background**

1. EagleMark is a Nevada corporation.
2. Lian is a United States resident.
3. Keller is a British Columbia resident.
4. Lian and Keller have both acted as agents of EagleMark.
5. EagleMark has never filed a prospectus under the Act, and none of EagleMark, Lian and Keller (the Parties) has ever been registered under the Act.
6. On October 1, 2009, Commission staff issued a cease trade order (the CTO) respecting the securities of Lexicon Building Systems Ltd. (formerly American Insulock Inc.) (Lexicon). The CTO was twice varied in a limited way, but remains in effect.

#### **The FFP Securities**

7. From about February, 2010 to the present, the Parties have promoted and sold securities under a “Friends and Family” program through which investors would purportedly make a loan to EagleMark in return for a shares and warrants of Lexicon (the FFP).
8. Lexicon did not authorize, know about, or receive funds from the FFP distribution. Due to the CTO, it was not possible to deliver shares and warrants of Lexicon under the FFP.

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9. On November 28, 2011, Commission investigators met with Keller (the Meeting) who stated that there are at least 50 investors in the FFP and about \$2 million has been raised to date.

### **False Representations**

1. After the Meeting, Keller sent email correspondence dated November 30, 2011 to a person that included these statements:
  - (a) “Yesterday I Enna Keller had a very successful meeting with two Officers at the B.C. Securities Commission, to clear me and Richard Lian from any wrong doing in regards, of the Securities Law with the B.C.S.C.”; and
  - (b) “Lol.....the program is still open, and approved by the BCSC”

Both of these statements were false.

### **Misconduct**

10. The Parties, while trading the FFP, stated that an investment in the FFP would lead to a distribution of securities of Lexicon which was a misrepresentation contrary to section 50(1)(d) of the Act.
11. The Parties traded in the FFP securities without being registered and without having filed a prospectus, contrary to sections 34 and 61 of the Act.
12. Keller, while engaged in investor relations activities, made statements about the Meeting that were misrepresentations, contrary to section 50(1)(d) of the Act.
13. The Parties perpetrated a fraud on investors in the FFP, contrary to section 57 of the Act.

### **Temporary Order and Temporary Order Hearing**

¶ 2 The Executive Director, under section 161(2) of the Act, considering the length of time to hold a hearing under section 161(1) of the Act could be prejudicial to the public interest, considers it to be in the public interest to order that (the Temporary Order):

- (a) under section 161(1)(b)(i) of the Act, that all persons cease trading in the FFP securities;

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- (b) under section 161(1)(b)(ii) and section 161(1)(c) of the Act, that all of the Parties cease trading in any securities or exchange contracts, and that none of the exemptions from the prospectus and registration requirements of the Act set out in the regulations apply to any of the Parties;
- (c) under sections 161(1)(d)(ii)-(iii) of the Act, that Keller and Lian are prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager; or as a registrant, investment fund manager or promoter;
- (d) under sections 161(1)(d)(iv)-(v) of the Act, the Parties are prohibited from acting in a management or consultative capacity in connection with activities in the securities market, and from engaging in investor relations activities,

until the Commission hears and decides the Executive Director's application to extend the Temporary Order at a hearing on **Thursday, December 22, 2011 at 9:00 am** (the Hearing).

- ¶ 3 The Hearing will be held at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia.
- ¶ 4 At the Hearing, the Executive Director will ask the Commission to extend the Temporary Order until a decision is rendered.
- ¶ 5 The Parties may be represented by counsel at the Hearing and may make representations and lead evidence. The Parties are requested to advise the Commission of their intention to attend by contacting the Secretary to the Commission at PO Box 10142, Pacific Centre, 12th Floor, 701 West Georgia Street, Vancouver, BC, V7Y 1L2, phone: (604) 899-6500; email: commsec@bcsc.bc.ca.
- ¶ 6 If the Parties or their counsel do not appear at the Hearing, the Executive Director may apply to the Commission to make all or part of the Temporary Orders permanent, and the Commission may make other determinations contrary to the Parties' interests in their absence.
- ¶ 7 December 9, 2011  
  
Paul C. Bourque
- ¶ 8 Paul C. Bourque, Q.C.  
Executive Director