

2007 BCSECCOM 194

Schedule A Settlement Agreement

Robert Leigh Jeffs

Securities Act, RSBC 1996, c. 418

- ¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director) and Robert Leigh Jeffs (RLJ) agree as follows:

Agreed Statement of Facts

1. RLJ is a resident of British Columbia and has never been registered under the *Securities Act, RSBC 1996, c. 418*.
2. Francis (“Frank”) Jason Dean Biller (Biller) is a former resident of British Columbia. On February 16, 2000, the British Columbia Securities Commission prohibited Biller for ten years from trading in securities and engaging in investor relations (the Biller Order).
3. Bayshore Management Corporation (Bayshore), Fairtide Capital Corporation (Fairtide) and Gibraltar Consulting Corporation (Gibraltar) are British Columbia corporations with offices at Suite 600 – 1100 Melville Street in Vancouver (the Premises).
4. At all material times, RLJ was a director of Bayshore, director and president of Fairtide, and the sole director and president of Gibraltar.

Phone Room

5. From May 2002 to November 2002, Bayshore employed individuals (Phoners) at the Premises to promote securities of public companies to retail investors on behalf of Fairtide (the Phone Room).
6. Neither the Phoners nor Bayshore were registered under the Act.
7. The Phoners made thousands of phone calls to residences in British Columbia and elsewhere, where:
 - (a) contrary to section 34(1)(a) of the Act, they traded in securities by encouraging call recipients to purchase shares in the promoted securities; and

2007 BCSECCOM 194

- (b) contrary to section 50(1)(e) of the Act they engaged in unfair practices including:
 - (i) making repeated calls to the same recipients; and
 - (ii) pressuring call recipients to purchase the promoted securities.
- 8. Through his direction, operation and management of the Phone Room, Fairtide, Bayshore and Gibraltar, RLJ failed in his obligation to be aware of the provisions of the Act and to ensure that the Phoners, as employees of Bayshore, did not breach the Act.

Biller

- 9. In May 2002, Biller relocated from Costa Rica to Vancouver, British Columbia.
- 10. In June 2002, RLJ, on behalf of Gibraltar, hired Biller to manage the Phone Room. RLJ did so with knowledge of the Biller Order. Biller managed the Phone Room from June 2002 to November 2002.
- 11. Bayshore paid Gibraltar for Biller's services.
- 12. While employed in the Phone Room, Biller engaged in investor relations activities and traded in securities, contrary to the Biller Order.
- 13. By engaging in the conduct set out above, RLJ enabled Biller to contravene the Biller Order, contrary to the public interest.

Mitigating Factors

- 14. The Executive Director has taken into account the following facts as factors mitigating the sanctions which would otherwise have applied in the public interest:
 - (a) RLJ is 60 years old.
 - (b) RLJ ceased working in investor relations four and a half years ago.

2007 BCSECCOM 194

Public Interest

15. RLJ acted contrary to the public interest by engaging in the conduct set out above.

Undertakings

16. RLJ undertakes:

- (a) on behalf of Fairtide and Bayshore, to ensure those corporations are permanently struck from the British Columbia Corporate Registry; and
- (b) to pay \$75,000 to the British Columbia Securities Commission in respect of settlement of this matter which sum is due and payable immediately without further demand.

Order

¶ 2 The Executive Director will issue an order (the Order) that under sections 161(1)(a) and 161(1)(d)(i)-(iii) of the Act, RLJ:

1. comply fully with the Act, the *Securities Rules*, BC Reg. 194/97, and any applicable regulations;
2. resign any position he may hold as a director or officer of any public issuer;
3. be prohibited for a period of 15 years from the date of the Order from:
 - (a) becoming or acting as a director or officer of any public issuer or any issuer engaging in investor relations activities; and
 - (b) engaging in investor relations activities.

Consent to Reciprocal Orders

¶ 3 Any securities regulator in Canada may rely on the facts admitted in this agreement solely for the purpose of making an order similar to the one contemplated above.

Waiver

¶ 4 RLJ waives any right he may have, under the Act or otherwise, to a hearing, hearing and review, judicial review or appeal related to, in connection with, or incidental to this settlement.

2007 BCSECCOM 194

Counterpart

¶ 5 This Settlement Agreement may be executed in counterpart or by facsimile execution and all such counterparts of executed copies or faxed copies shall be read or construed together as if they formed one originally executed document.

¶ 6 April 23, 2007

¶ 7 “R. Jeffs”
Robert Leigh Jeffs

“David G. Fredricksen”)
Witness Signature)
David G. Fredricksen)
Witness Name (please print))
#1400 – 1125 Howe Street)
Vancouver, BC V6Z 2K8)
Address)
Barrister and Solicitor)
Occupation)

¶ 8 April 24, 2007

“B. Leong”

¶ 9 Brenda M. Leong
Executive Director