



Citation: 2021 BCSECCOM 404

## Notice of Hearing

**Timothy Craig Durkin and SHH Holdings Limited**

**(the Respondents)**

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

- ¶ 1 The British Columbia Securities Commission (Commission) will hold a hearing (Hearing) at which the Executive Director will tender evidence, make submissions and apply for orders against the Respondents under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

#### **Summary**

1. The Respondents defrauded a BC investor who invested \$1 million in SHH Holdings by falsely representing that SHH Holdings, through a subsidiary, owned the Sooke Harbour House hotel. In fact, SHH Holdings had no ownership interest in the hotel.
2. By engaging in this conduct, the Respondents contravened section 57(b) of the Act. As a director of SHH Holdings, Durkin authorized, permitted, or acquiesced in SHH Holdings' contravention of section 57(b) the Act and therefore also contravened this provision by operation of section 168.2 of the Act.

#### **Background**

3. Timothy Craig Durkin is a resident of Sooke, British Columbia.
4. SHH Holdings Limited (SHH Holdings) is a company incorporated in British Columbia on October 14, 2014. Durkin was a director of SHH Holdings at all relevant times.
5. Sooke Harbour House is a hotel in Sooke, British Columbia (the Hotel). At all relevant times, the Hotel was owned by Sooke Harbour House Inc.

#### **Misconduct**

##### ***Fraud***

6. Between December 2015 and March 2016, the Respondents raised \$1 million from one investor through a distribution of SHH Holdings' securities.
7. To raise this money, the Respondents deceived the Investor by falsely representing that SHH Holdings owned all of the shares of Sooke Harbour House Inc., and that by purchasing 40% of the shares of SHH Holdings, the Investor would obtain a 40% ownership interest in the Hotel.



8. In fact, SHH Holdings did not own any shares of Sooke Harbour House Inc. and SHH Holdings did not have any legal or beneficial ownership interest in the Hotel.

9. The Investor did not recover any of the \$1 million invested.

### **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, November 10, 2021, at 9:00 a.m.** if they wish to be heard before the Commission sets a date for the Hearing. Relevant information gathered by Commission Staff in the investigation of this matter will be disclosed to the Respondent upon 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 Hearing Office at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: [commsec@bcsc.bc.ca](mailto: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.

*Peter J Brady*

*Oct 14 2021 2:55 PM -07:00*

¶ 5 Peter J. Brady  
Executive Director