

Citation: 2023 BCSECCOM 271

## **Settlement Agreement**

**Robert Earle Dawson**

### ***Securities Act, RSBC 1996, c. 418 (the Act)***

¶ 1 The Executive Director of the British Columbia Securities Commission (Executive Director) and Robert Earle Dawson (Dawson) agree as follows:

#### **Agreed Statement of Facts**

##### ***Background***

1. BLOK Technologies Inc. (BLOK) is based in Vancouver, British Columbia, and is a reporting issuer in British Columbia.
2. At the material times, BLOK's shares traded on the Canadian Securities Exchange.
3. BLOK is in the process of being dissolved.
4. Dawson was CEO of BLOK from January 2018 until he resigned in January 2019.
5. At the material times, Dawson was a resident of Vancouver, British Columbia.
6. Dawson has no prior history of securities regulatory misconduct in British Columbia.

##### ***Misconduct***

7. On June 8, 2018, BLOK announced in a news release that it had raised a total of \$5,403,384 through a private placement. BLOK stated that the net proceeds would be used for advancing the company's current blockchain investment projects, evaluating new blockchain opportunities and for working capital purposes. BLOK did not disclose that it would retain only \$947,321.50, or less than 18%, of the amount raised because it had already spent or owed \$4,456,062.50 on consulting fees (Consulting Fees).
8. By announcing the total proceeds from the private placement but failing to disclose that it would retain less than 18%, BLOK made a statement to investors that it knew, or ought reasonably to have known, was a misrepresentation contrary to section 50(1)(d) of the Act.
9. Dawson knew or ought to have known that BLOK had already spent or owed the Consulting Fees at the time of the June 8, 2018 announcement.

10. Dawson, as CEO of BLOK, authorized, permitted or acquiesced in BLOK's contravention of section 50(1)(d) of the Act and therefore he contravened the same provisions by operation of section 168.2.

### ***Mitigating Factors***

11. Dawson cooperated with staff of the Commission during the investigation of this matter.

12. Dawson made admissions with respect to his misconduct prior to the commencement of the hearing of this matter.

### ***Dawson's Financial Status***

13. Dawson is an undischarged bankrupt and lacks the ability to pay a monetary amount that would normally form part of any settlement.

### ***Public Interest***

14. It is in the public interest that the Executive Director issue orders under section 161.

### **Orders**

¶ 2 The Executive Director and Dawson agree to the following Orders:

1. Under section 161(1)(d)(i), Dawson will resign any position he currently holds as a director or officer of an issuer or registrant; and
2. Dawson is prohibited for a period of fourteen years:
  - (a) under section 161(1)(d)(ii), from becoming or acting as a director or officer of any reporting issuer or registrant;
  - (b) under section 161(1)(d)(iii), from becoming or acting as a registrant or promoter; and
  - (c) under section 161(1)(d)(iv), from advising or otherwise acting in a management or consultative capacity in connection with activities in the securities or derivatives markets.

### **Consent to Regulatory Orders**

¶ 3 Dawson consents to a regulatory order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the Orders set out in paragraph ¶2 above.

**Waiver**

¶ 4 Dawson 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.

**Counterpart**

¶ 5 This settlement agreement may be executed in counterpart or by electronic 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 May 31, 2023

¶ 7 Robert Earle Dawson  
Robert Earle Dawson

Redacted )  
Witness Signature )  
Redacted )  
Witness Name (please print) )  
Redacted )  
Address )  
Redacted )  
Occupation )

*Peter J Brady*  
*Jun 1 2023 9:46 AM -07:00*

¶ 8 Peter J. Brady  
Executive Director