

Citation: 2024 BCSECCOM 82

Settlement Agreement

**Anthony Kevin Jackson, BridgeMark Financial Corp.,
and Jackson & Company Professional Corp.**

Securities Act, RSBC 1996, c. 418

¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director) and Anthony Kevin Jackson (Jackson), BridgeMark Financial Corp. (BridgeMark), and Jackson & Company Professional Corp. (Jackson & Company) agree as follows:

Agreed Statement of Facts

Background

1. Jackson is a resident of British Columbia, and a director and officer, and the sole shareholder, of BridgeMark and Jackson & Company.
2. BridgeMark is a corporation incorporated under the laws of British Columbia.
3. Jackson & Company is a professional corporation incorporated under the laws of British Columbia.
4. Jackson, BridgeMark, and Jackson & Company (the Jackson Respondents) are respondents in an Amended Notice of Hearing dated April 28, 2021, cited as 2021 BCSECCOM 164 (the ANOH).

Conduct contrary to the public interest

5. The ANOH alleges a scheme in which:
 - (a) Individuals and companies (Consultants) entered into consulting agreements with certain CSE Issuers (Issuers) and received prepaid consulting fees from the Issuers;
 - (b) Consultants performed little or no consulting work;
 - (c) Some Consultants purchased free trading shares of the Issuers through private placements (Placees), for which placements the Issuers relied on the consultant exemption to the prospectus requirement in section 2.24 of National Instrument 45-106 (Consultant Exemption);

- (d) The Issuers retained only a portion of the funds raised because they paid most of the private placement funds to the Consultants as prepaid consulting fees shortly before or after the private placements; and
- (e) the Placees, in most instances, sold their shares shortly after purchase, generally below the private placement price.

(the Scheme)

6. The Scheme was abusive to the capital markets.
7. As part of the Scheme nine Issuers publicly announced gross proceeds of \$50,854,671 through twelve private placements between February and August 2018, but only retained \$7,892,722 of that amount.
8. Jackson met with some of the Issuers to explain the Consultant Exemption.
9. Jackson facilitated the delivery of paperwork, including subscription agreements, consulting contracts, and private placement cheques for some of the Issuers.
10. BridgeMark participated as a placee for a total of \$2,000,002 worth of units in a private placement by one Issuer. BridgeMark received free trading shares because of the Consultant Exemption and sold the shares shortly before and after it received them.
11. BridgeMark and Jackson & Company acted as consultants for eight issuers for gross proceeds of \$3,358,750.
12. The conduct acknowledged in this Settlement Agreement engages the Commission's public interest jurisdiction and it is necessary to make orders against the Jackson Respondents.

Factors relevant to settlement

13. The Jackson Respondents made the admissions set out in this agreement prior to the commencement of the hearing of this matter.
14. The Jackson Respondents have no prior securities disciplinary history.

Public Interest

15. It is in the public interest that the Executive Director issue orders under section 161 of the Act.

Undertaking(s)

13. The Jackson Respondents undertake to jointly pay \$100,000 to the 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 orders under section 161 of the Act (the Order) that:

1. Under section 161(1)(d)(i), Jackson resign any position he holds as a director or officer of an issuer or registrant other than an issuer in which he owns all of the issued and outstanding shares;
2. Jackson is prohibited for a period of 8 years:
 - (a) Under section 161(1)(d)(ii) from becoming or acting as a director or officer of an issuer or registrant other than an issuer in which he owns all of the issued and outstanding shares; and
 - (b) Under section 161(1)(c), from purchasing securities of an issuer where the securities are issued through reliance on the consultant exemption in section 2.24 of NI 45-106;
3. Jackson is prohibited for a period of 5 years:
 - (a) 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;
 - (b) Under section 161(1)(d)(v), from engaging in promotional activities by or on behalf of any reporting issuer, security holder of a reporting issuer or party to a derivative or another person that is reasonably expected to benefit from the promotional activity in respect of a reporting issuer; and
 - (c) Under section 161(1)(d)(vi), from engaging in promotional activities on the person's own behalf in respect of circumstances that would reasonably be expected to benefit the person;

Except that Jackson may advise or otherwise act in a consultative capacity for non-reporting issuers (i) in the area of accounting and (ii) in the areas of takeover bids, issuer bids, reverse takeovers, amalgamations, mergers, arrangements, reorganizations, share exchanges, business combinations or other similar transactions, and may engage in promotional activities incidental to his consulting in those areas. For the final 3 years of these prohibitions, the exceptions set out in (i) and (ii) will also apply to reporting issuers.

4. Jackson is prohibited for a period of 3 years:
 - (a) Under section 161(1)(b)(ii), from trading in or purchasing any security or derivatives, except that he may trade and purchase securities or derivatives:
 - (i) Of non-reporting issuers; and
 - (ii) In his own account or the account of an issuer in which he owns all of the issued and outstanding shares, through a registered dealer if the registered dealer is first provided with a copy of this Order.
5. Jackson is prohibited for a period of 2 years:
 - (a) Under section 161(1)(d)(iii), from becoming or acting as a registrant or promoter.

And that:

6. BridgeMark and Jackson & Company are prohibited for a period of 8 years:
 - (a) Under section 161(1)(c), from purchasing securities of an issuer where the securities are issued through reliance on the consultant exemption in section 2.24 of NI 45-106;
7. BridgeMark and Jackson & Company are prohibited for a period of 5 years:
 - (a) 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;
 - (b) Under section 161(1)(d)(v), from engaging in promotional activities by or on behalf of any reporting issuer, security holder of a reporting issuer or party to a derivative or another person that is reasonably expected to benefit from the promotional activity in respect of a reporting issuer; and
 - (c) Under section 161(1)(d)(vi), from engaging in promotional activities on the person's own behalf in respect of circumstances that would reasonably be expected to benefit the person;

Except that BridgeMark and Jackson & Company may advise or otherwise act in a consultative capacity for non-reporting issuers (i) in the area of accounting and (ii) in the areas of takeover bids, issuer bids, reverse takeovers, amalgamations, mergers, arrangements, reorganizations, share exchanges, business combinations or other similar transactions, and may engage in promotional activities incidental to their consulting in those areas. For the final 3 years of these prohibitions, the exceptions set out in (i) and (ii) will also apply to reporting issuers.

8. BridgeMark and Jackson & Company are prohibited for a period of 3 years:
- (a) Under section 161(1)(b)(ii), from trading in or purchasing any security or derivatives, except that they may trade and purchase securities or derivatives:
 - (i) Of non-reporting issuers; and
 - (ii) In their own account or the account of an issuer in which they own all of the issued and outstanding shares, through a registered dealer if the registered dealer is first provided with a copy of this Order.
9. BridgeMark and Jackson & Company are prohibited for a period of 2 years:
- (a) Under section 161(1)(d)(iii), from becoming or acting as a registrant or promoter.

Consent to Regulatory Orders

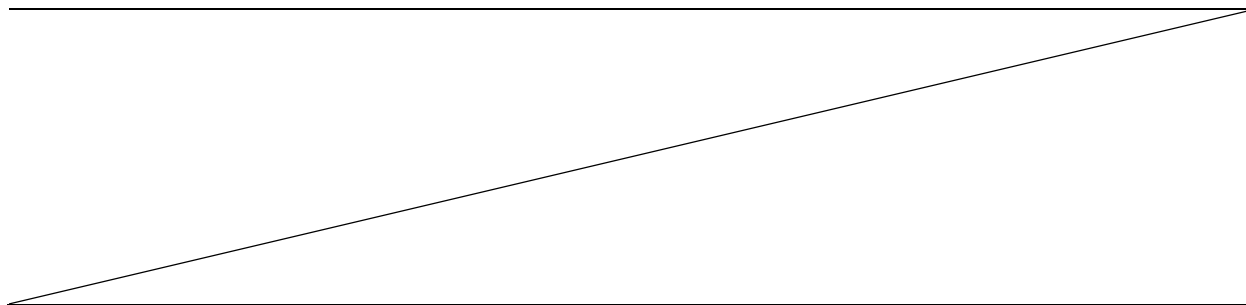
- ¶ 3 The Jackson Respondents consent to a regulatory Order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the Orders set out in paragraph 2 above.

Purpose

- ¶ 4 The Jackson Respondents have entered this agreement to resolve the enforcement proceeding commenced against them by the Amended Notice of Hearing dated April 28, 2021 (BCSECCOM 164) and for the purpose of any regulatory Orders made under paragraph 3 by any provincial or territorial securities regulatory authority in Canada, but not for any other purpose.

Waiver

- ¶ 5 The Jackson Respondents waive any right they 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

¶ 6 This Settlement Agreement may be signed in counterpart and all such counterparts of signed copies, whether delivered electronically or otherwise, shall be read or construed together as if they formed one originally executed document.

¶ 7 February 26 , 2024

¶ 8 Anthony Kevin Jackson
Anthony Kevin Jackson

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

¶ 9 Anthony Jackson
BridgeMark Financial Corp.
(Per Anthony Jackson
Signing Authority)

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Witness Name (please print))
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Occupation)

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Occupation)

Peter J. Brady
3/1/2024 | 8:32 AM PST

¶ 11 Peter J. Brady
Executive Director