

Citation: 2025 BCSECCOM 504

## **Settlement Agreement**

**Novum AI Ltd. and Colin Frederick Eggen**

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

- ¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director) and Novum AI Ltd. (Novum AI) and Colin Frederick Eggen (Eggen) agree as follows:

### **Agreed Statement of Facts**

#### ***Background***

1. Novum AI is a British Columbia company that held itself out as using algorithmic trading to generate yearly returns by investing in forex, gold and cryptocurrency markets.
2. Eggen is a resident of Mission, British Columbia.
3. Neither Novum AI nor Eggen has ever been registered under the Act and neither has a history of securities regulatory misconduct.

#### ***Misconduct***

##### **Unregistered trading**

4. Between about September 2022 and June 2023 (the Relevant Period), Novum AI entered into investment contracts with twelve investors. These investors invested a total of about \$480,000. Entering into each investment contract was a trade in a security.
5. Eggen acted in furtherance of each of those trades.
6. The investors lost all of their money.
7. Novum AI was engaged in the business of trading in securities and held itself out as engaging in the business of trading in securities during the Relevant Period, which triggered the requirement to register under the Act.
8. By engaging in this conduct, Novum AI engaged in unregistered trading contrary to section 34(1)(a) of the Act.

9. As the sole director of Novum AI, Eggen authorized, permitted or acquiesced in the contraventions of section 34(1)(a) of the Act by Novum AI and therefore, by virtue of section 168.2 of the Act, he also contravened section 34(1)(a).

#### False or misleading statements

10. Novum AI's website contained the following statements during the Relevant Period:

- Its technology was developed by 60+ scientists, researchers and financial analysts, with a proven track record of growing wealth,
- Its fund size was \$50 million, and
- Its returns were 60-150% per annum.

11. These statements were false or misleading:

- Novum AI's technology was not developed by 60+ scientists, researchers and financial analysts, with a proven track record of growing wealth,
- Novum AI's fund size was approximately \$500,000, which was about 1% of \$50 million, and
- Novum AI's fund never generated 60-150% returns per annum.

12. By engaging in this conduct, Novum AI made false or misleading statements contrary to section 50(3) of the Act.

13. As the sole director of Novum AI, Eggen authorized, permitted or acquiesced in the contraventions of section 50(3) of the Act by Novum AI and therefore, by virtue of section 168.2 of the Act, he also contravened section 50(3).

#### Obstruction of justice

14. During the British Columbia Securities Commission's (Commission) investigation of Novum AI, Eggen was ordered to produce all communications relating to Novum AI he had with investors during the Relevant Period including emails, text messages, social media direct messages and messaging software.

15. Eggen responded to the production order by advising that he primarily communicated with Novum AI investors through text and telephone. However, he claimed he had recently replaced his cell phone and no longer had copies of the text messages from the Relevant Period.

16. During his compelled investigative interview under oath, Eggen admitted that, in fact, after he received the production order, he deleted the text messages from his phone.

17. By engaging in this conduct, Eggen obstructed justice contrary to section 57.5(1)(b) of the Act.

***Mitigating Factors***

18. Novum AI and Eggen agreed to make admissions with respect to the above-noted misconduct before the issuance of a Notice of Hearing.

***Undertaking***

19. Eggen has demonstrated he is unable to pay more than \$30,000 to settle this matter. Otherwise, the Executive Director would require an undertaking from Eggen to pay \$100,000 to settle this matter.

20. Eggen undertakes to pay \$30,000 to the Commission in respect of the settlement of this matter.

***Public Interest***

21. It is in the public interest that the Executive Director issue orders against Novum AI and Eggen under section 161 of the Act.

***Order***

¶ 2 The Executive Director will issue an order (the Order) that:

1. Novum AI is permanently prohibited:
  - (a) under section 161(1)(b)(ii) from trading in or purchasing any securities or derivatives;
  - (b) under section 161(1)(c) from relying on any exemptions in the Act, the regulations or a decision;
  - (c) 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
  - (d) under section 161(1)(d)(vi), from engaging in promotional activities on its own behalf in respect of circumstances that would reasonably be expected to benefit Novum AI.
2. Under section 161(1)(d)(ii), Eggen resign any position he holds as a director or officer of an issuer or registrant, except he may remain a director and officer of his holding company, 1370782 B.C. Ltd., provided that all securities in 1370782 B.C. Ltd. are owned by Eggen;
3. Eggen is prohibited for a period of 25 years:

- (a) under section 161(1)(b)(ii) from trading in or purchasing any securities or derivatives, except that he may trade and purchase securities or derivatives in his own account through a registered dealer or registrant, provided he gives the registered dealer or registrant a copy of the Order before making any trades or purchases;
- (b) under section 161(1)(c) from relying on any exemptions in the Act, the regulations or a decision;
- (c) under section 161(1)(d)(ii), from becoming or acting as a director or officer of any issuer or registrant;
- (d) under section 161(1)(d)(iii), from becoming or acting as a registrant or promoter;
- (e) 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;
- (f) 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
- (g) under section 161(1)(d)(vi), from engaging in promotional activities on his own behalf in respect of circumstances that would reasonably be expected to benefit him.

### **Consent to Regulatory Orders**

- ¶ 3 Novum AI and Eggen 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.

### **Waiver**

- ¶ 4 Novum AI and Eggen 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**

¶ 5 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.

¶ 6 December 3 , 2025

¶ 7 Colin Frederick Eggen  
**Novum AI Ltd.**  
(Per Colin Frederick Eggen  
Signing Authority)

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

¶ 8 Colin Frederick Eggen  
**Colin Frederick Eggen**

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Witness Signature )  
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*Peter J. Brady*  
12/03/2025 | 12:12 PM PST

¶ 9 Peter J. Brady  
Executive Director