

Citation: 2025 BCSECCOM 78

## **Settlement Agreement**

addy Technology Corp. (addy)

### ***Securities Act, RSBC 1996, c. 418***

¶ 1 The Executive Director of the British Columbia Securities Commission (the Executive Director) and addy Technology Corp. agree as follows:

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

1. addy is a corporation incorporated in British Columbia.
2. addy operates an online platform where investors can fractionally invest in real estate properties and developments in amounts as low as \$1 by purchasing shares or limited partnership units in various issuers (Issuers).
3. addy has never been registered under the Act in any capacity.

#### ***Misconduct***

##### **Unregistered trading**

4. Between July 9, 2018, and February 14, 2025 (Relevant Period), addy traded in approximately \$26 million of securities of the Issuers. The average amount invested in the Issuers was approximately \$700 per investor.
5. Between 2018 and October 2022, addy charged investors membership fees of \$25 annually or \$500 for a lifetime membership providing for early access to certain properties and additional features on addy's online platform. After October 2022, annual membership fees increased to \$50. At all times during the Relevant Period, payment of membership fees was not required to invest on the addy platform.
6. From October 2022, addy charged software licensing fees to the Issuers and exempt market dealers for their use of addy's online platform of \$100 per month or a one-time fee of up to \$25,000.
7. addy triggered the requirement to register by:
  - (a) engaging in activities similar to a registrant by soliciting investors through its online platform, email and social media to invest in the Issuers;
  - (b) intermediating trades in the Issuers' securities;
  - (c) receiving compensation in the form of fees for use of its online platform;

- (d) carrying on the activities with repetition, regularity, or continuity as part of its overall business activity.
8. During the Relevant Period, addy sought to rely on various exemptions to the registration requirements — however, none were applicable:
- (a) addy sought to rely on the Crowdfunding Exemption in National Instrument 45-110, *Start-Up Crowdfunding Registration and Prospectus Exemptions* (Crowdfunding Exemption), which provides for an exemption to the dealer registration requirement of the Act. However, the Crowdfunding Exemption was not available because certain of the Issuers had principals in common with addy, contrary to section 5(1)(o) of the Crowdfunding Exemption.
  - (b) addy also engaged exempt market dealers to facilitate trades on its platform in an attempt to rely on section 8.5 of National Instrument 31-103, *Registration Requirements, Exemptions and Ongoing Registrant Obligations*, which provides for a registration exemption where a trade is made through a registered dealer and the person seeking to rely on the exemption does not solicit or contact purchasers directly. However, addy could not rely on this exemption since it continued to solicit prospective purchasers on its portal, by email and through social media.
9. By engaging in the above conduct, addy engaged in the business of trading securities without being registered and without an exemption, contrary to section 34(a) of the Act.

### ***Mitigating factors***

10. addy voluntarily provided information to investigators and made admissions with respect to its misconduct prior to the issuance of a notice of hearing, which has resulted in time and cost savings.

### ***Other Factors Relevant to Settlement***

11. addy has no prior history of securities regulatory misconduct.
12. addy has made an application for registration as a dealer for the purposes of carrying out the above described activities.

### ***Public Interest***

13. In light of all of the circumstances, including the undertaking provided by addy in this Agreement, it is not in the public interest to issue orders under section 161 of the Act.

**Undertaking**

13. addy undertakes to pay \$100,000 to the British Columbia Securities Commission in respect of settlement of this matter which sum is due and payable immediately without further demand.

**Waiver**

- ¶ 2 addy waives any right it 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**

- ¶ 3 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.

- ¶ 4 March 11, 2025

- ¶ 5 Redacted  
addy Technology Corp.  
(Per Redacted  
Signing Authority)

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

*Peter J Brady*  
*3/17/2025 | 10:46 AM PST*

- ¶ 6 Peter J. Brady  
Executive Director