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BRITISH COLUMBIA SECURITIES COMMISSION
Securities Act, RSBC 1996, c. 418

Citation: Re Sean Elan Dollinger, 2026 BCSECCOM 373 Date: 20261119

Order Varying Notice of Administrative Penalty

Sean Elan Dollinger

Section 162.04 of the *Securities Act*, RSBC 1996, c. 418

1. In a Notice of Administrative Penalty dated August 19, 2026 (the Notice), I found that Sean Elan Dollinger contravened section 3.3 of National Instrument 55-104 *Insider Reporting Requirements and Exemptions* (NI 55-104) by failing to file timely insider reports related to 258 transactions involving 18,615,809 securities of Jiva Technologies Inc. with a total value of $12,200,887 from August 2020 to January 2022. I also found that he contravened section 5.2 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (NI 62-104) by failing to file early warning reports related to ten separate occasions from August 2020 to January 2022 in which his ownership or control or direction over securities of the issuer exceeded 10% of the outstanding securities, increased or decreased by 2% or more, or decreased below 10%.

2. Under section 162.01 of the *Securities Act* (the Act), subject to his right to dispute the alleged contraventions or penalty amount under section 162.04 of the Act, I considered it in the public interest to require Dollinger to pay an administrative penalty of $90,000 for the alleged contraventions.

3. On September 18, 2026, Dollinger's counsel provided written submissions on why the penalty should be reduced. On October 1, staff responded to Dollinger's submissions. On October 13, Dollinger replied to staff's submissions. This is my decision on the appropriate penalty amount.

4. Having considered all of the submissions, I have concluded that the appropriate amount of the penalty is $60,000.

Submissions
Dollinger's Submissions

5. Dollinger submitted that, viewed in light of the totality of the circumstances, $90,000 is disproportionate to the conduct at issue. In the alternative, if a penalty is warranted, a penalty in the range of $45-55,000 would be sufficient to meet the objectives of sanctions, including deterrence, while remaining proportionate and reasonable.

More specifically, Dollinger submitted that:

a. Prior Conduct – Dollinger has no prior sanctions for securities misconduct. This was the first time he was required to personally manage insider and early warning requirements because legal counsel handled it for the last reporting issuer he was involved with.

b. Seriousness – Dollinger's contraventions fall at the lower end of seriousness because, while the reports should have been filed, the transactions had a limited effect on his overall ownership position – the average and median change in his ownership across the unreported transactions was less than 0.1%. The transactions that triggered the early warning reports only barely crossed the thresholds. The number of transactions and dollar value should not be looked at in isolation. The purpose of the reporting requirements is to make the market aware of changes in holdings by insiders, so there was little practical effect.

   The conduct was unintentional, did not benefit him financially and there is no evidence of investor harm. He did not conceal his trading. When notified of the issue, he cooperated with staff and paid his late fees.

c. Mitigating Factors – In 2020, Dollinger was going through difficult family circumstances and managing a change of his country of residence in the midst of the onset of the COVID-19 pandemic.

d. Need to Demonstrate Consequences For and Deter Inappropriate Conduct – A $90,000 penalty is not needed for specific or general deterrence. As noted above, Dollinger cooperated with staff, took steps to fix his filings and paid his late fees when notified of the issue. He did not ignore the situation or allow it to continue. This suggests specific deterrence should not be a primary consideration. The executive director should make sure that general deterrence does not make the penalty crushing or unfit. A disproportionately harsh penalty could make the penalty unreasonable or punitive.

e. Past Orders in Similar Circumstances -

   i. *Wisbey*, 2024 BCSECCOM 43 is not an appropriate benchmark. Wisbey involved illegal distributions and disclosure contraventions in addition to insider reporting and early warning contraventions. Wisbey was a control person, the number of securities traded was much higher, and the relevant period was longer. In the Notice, the executive director agreed with staff that Dollinger's conduct should be situated below Wisbey's and yet proposed a penalty of $90,000 versus the $80,000 imposed in *Wisbey*. Even accounting for the late fees paid in *Wisbey*, $90,000 would result in

the total amount paid by Dollinger being only a few thousand dollars less than what Wisbey paid.

ii. *Penn*, 2021 BCSECCOM 472 is also significantly different from Dollinger's case. Penn was involved in misleading disclosure in information circulars, was a director and the CEO of the issuer and was a former registrant. His contraventions involved more securities, a longer relevant period and greater fluctuations in ownership. The penalty should be lower than in *Penn*, not $15,000 higher than the $75,000 imposed in that case.

iii. *McLeary*, 2016 BCSECCOM 191 supports a substantially lower penalty. McLeary failed to file timely insider reports for 105 trades worth approximately $1.2 million, but hid his trading through an offshore account. The panel found he was a serious risk to capital markets and imposed a permanent market prohibitions while only imposing a penalty of $25,000. In contrast, Dollinger's conduct was far less serious for the reasons discussed above, so $90,000 is excessive and disproportionate. *McLeary* is an older case, but inflation does not justify $90,000.

iv. *Re Anderson*, 2026 BCSECCOM 262 is a more useful comparator. In Anderson, the respondent failed to report 172 transactions worth about $2.1 million and failed to file 28 early warning reports related to three issuers over nearly four years. Anderson cooperated, had no disciplinary history and paid his late fees. Yet Anderson paid only $50,000.

f. Public Interest – There are no public interest factors that warrant a penalty of $90,000. There is no allegation of improper conduct, investor harm or personal benefit.

Staff's Response

6. To summarize, staff responded that their recommended penalty range was unchanged and that $90,000 is fair and reasonable in the circumstances.

a. Staff clarified that their recommended range is $80-90,000, not $85-95,000 as I stated in the Notice. The range of $85,500 to $95,500 in staff's report includes the $5,500 paid in late fees.

b. The fact that Dollinger's overall ownership change was not large does not reduce the seriousness of his contraventions. Concentrating on the individual transactions ignores the cumulative effect. Over the relevant period, his position in the issuer fluctuated between 10-16% and the market was unaware of this. Certain individual transactions involved ownership changes of up to 2.8%.

c. The argument that early warning reports only narrowly crossed thresholds makes no sense because early warning reporting is entirely about whether an investor crosses the specified threshold. The amount by which it is crossed is not relevant.

d. Dollinger's assertion of family and personal difficulties do not reduce the seriousness of the contraventions; they merely support that the contraventions were inadvertent, which has already been taken into account. He did not provide evidence of financial hardship.

e. Dollinger's analysis of *Wisbey* and *Penn* fails to account for the impact of late fees. When the large late fees paid in those cases is taken into account, the proposed penalty of $90,000 plus $5,500 paid in late fees does fall between the total amounts paid in those cases. Late fees should not be mechanically added or subtracted when determining the appropriate penalty amount. They may go to seriousness and show less of a need for specific deterrence. The executive director should consider the entirety of the conduct and consequences, but late fees are not part of the penalty. Considering late fees, the proposed penalty is appropriate.

f. *McLeary* is distinguishable because of the broad, permanent market bans imposed. $25,000 was appropriate in that case given the other sanctions. McLeary has also been superseded by cases like *Wisbey*, *Penn* and *Rubin*, 2021 BCSECCOM 473 in which the penalty amounts were approved by Commission settlement committees.

g. Dollinger should pay more than in *Anderson* because he had more unreported transactions of significantly higher value that were more concentrated in time, plus Anderson reported more than half of his transactions on time. Anderson also agreed to settle.

Dollinger's Reply

7. In reply, Dollinger reiterated that $90,000 penalty is disproportionate and a penalty in the range of $45-55,000 would be more appropriate.

a. The range staff recommended is flawed. Staff confirmed it arrived at the range of $80-90,000 by working back from a target "total amount paid" of $85,500 to $95,500, after adding the $5,500 in late filing fees. That is the mechanical subtraction of late filing fees that the executive director rejected in *Townsend*, 2026 BCSECCOM 312.

b. To the extent the determination of the penalty was based on the higher range stated in the Notice, the penalty should be reconsidered on the basis of the range staff actually recommended.

c. Staff misapprehended Dollinger's submissions about having just barely crossed the relevant thresholds in the rules. Dollinger does not dispute that they establish thresholds but not every threshold crossing is equally serious. The executive director needs to consider the entire circumstances including in the information withheld, the duration of the non-compliance, the respondent's intent, the benefit obtained, the harm caused and the need for deterrence.

d. Late fees are not penalties and should not be added to or deducted from the appropriate penalty, but may go to seriousness or the need for specific deterrence. Staff nevertheless argue that $90,000 is justified when comparing total consequences. In substance, staff rely on the higher late fees paid in *Wisbey* to support a higher penalty for Dollinger when Wisbey's conduct was more egregious. This is contrary to the principle in *Townsend*.

e. Staff do not challenge Dollinger's evidence of personal circumstances, which support that his contraventions were inadvertent, which should be reflected in the penalty amount.

f. Regarding *Anderson*, staff's submission that the greater frequency of Dollinger's trading was likely more significant information to withhold from the market is speculative and unsupported by prior decisions. Staff also overlook that Anderson failed to file a larger number of early warning reports over a longer period of time. Anderson's conduct was more serious than Dollinger's. The Anderson settlement was also approved by a settlement committee and therefore is the most recent expression of the appropriate parameters for shareholder reporting failure without accompanying false or misleading issuer filings. The fact that Anderson agreed to settle (versus Dollinger merely exercising his opportunity to be heard) does not justify a penalty for Dollinger that is $40,000 higher.

g. Regarding *Rubin*, the executive director accepted a settlement of $65,000 even though Rubin was a former registrant, an officer and director, there was a longer relevant period and as a director was liable for false statements in the issuer's disclosure.

h. In *Townsend*, the most recent administrative penalty imposed by the executive director for late insider reporting, the respondent failed to file insider reports for 528 transactions in the securities of four issuers over a period exceeding 3.5 years and had previously been issued an administrative penalty for similar contraventions. The penalty imposed was $60,000. By comparison, Dollinger's contraventions involved a single issuer for a shorter period of time, no disciplinary history and no director or officer role. A penalty $30,000 higher than in *Townsend* would not be proportionate.

i. *McLeary* confirms that the penalty must be assessed in light of the particular conduct, intent and deterrent effect of the sanctions imposed. Subsequent settlements do not eliminate the relevance of an adjudicative decision on proportionality of sanctions.

Analysis

Law

8. In the Notice, I wrote:

> 6. Staff have correctly set out the law that applies when determining whether it is in the public interest to require someone to pay an administrative penalty as well as the principles for determining the appropriate amount of the penalty under section 162.01 of the Act.

9. For completeness, I am reproducing the sections of staff's report dated July 22, 2026 (the Report) to which I was referring:

> **Law**
>
> 30. Under section 162.01 of the Act, if you consider that Dollinger contravened the regulations as alleged, you must then consider whether it is in the public interest to require him to pay an administrative penalty, and what amount is appropriate in the circumstances.
>
> *Securities Act*, RSBC 1996, c. 418, section 162.01
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> 31. When determining the amount of the administrative penalty, section 162.02(1) of the Act requires you to consider the following factors:
>
> - the person's past conduct;
> - the seriousness of the conduct;
> - factors that mitigate the person's conduct;
> - the need to demonstrate the consequences of inappropriate conduct to those who access the capital markets;
> - the need to deter those who participate in the capital markets from engaging in inappropriate conduct;
> - orders made by the commission in similar circumstances in the

past; and

- any other matter relevant to the public interest.

Securities Act, RSBC 1996, c. 418, section 162.02

32. In Re Stock Social, 2023 BCSECCOM 372, the Commission summarized the general principles guiding the exercise of its authority to sanction under sections 161 and 162 of the Act (at paras: 11-14):

> Orders under sections 161(1) and 162 of the Act are protective and preventative, intended to be exercised to prevent future harm. See *Committee for Equal Treatment of Asbestos Minority Shareholders v. Ontario (Securities Commission)*, 2001 SCC 37.
>
> When it crafts its orders, the Commission aims to protect investors, promote the fairness and efficiency of the capital markets, and preserve public confidence in those markets. The sanctions must be sufficiently severe to establish that both the respondents and others will be deterred from similar misconduct. They must also be proportionate to the misconduct (and the circumstances surrounding it) of the respondents. See: *Re Braun*, 2019 BCSECCOM 65; *Davis v. British Columbia (Securities Commission)*, 2018 BCCA 149.
>
> As for the role of general deterrence in sanctioning, the Supreme Court of Canada said the following in *Re Cartaway Resources Corp.*, 2004 SCC 26 (CanLII), with respect to the Ontario Securities Commission, at paragraphs 60 and 64:
>
> > In my view, nothing inherent in the Commission's public interest jurisdiction, as it was considered by this Court in *Asbestos, supra*, prevents the Commission from considering general deterrence in making an order. To the contrary, it is reasonable to view general deterrence as an appropriate, and perhaps necessary, consideration in making orders that are both protective and preventative...
> >
> > The weight given to general deterrence will vary

> from case to case and is a matter within the discretion of the Commission. Protecting the public interest will require a different remedial emphasis according to the circumstances. Courts should review the order globally to determine whether it is reasonable. No one factor should be considered in isolation because to do so would skew the textured and nuanced evaluation conducted by the Commission in crafting an order in the public interest. Nevertheless, unreasonable weight given to a particular factor, including general deterrence, will render the order itself unreasonable...
>
> The pursuit of general deterrence does not warrant imposing a crushing or unfit sanction on any individual respondent. See: *Re QcX Gold Corp*., 2022 BCSECCOM 422 at paragraph 43, quoting the Alberta Court of Appeal in *Walton v. Alberta (Securities Commission)*, 2014 ABCA 273.
>
> *Re Stock Social*, 2023 BCSECCOM 372, paras. 11-14 and 60-64

33. In Re Capstone Asset Management, 2023 BCSECCOM 537, the Executive Director agreed that the general principles that guide the Commission's orders under sections 161 and 162 of the Act also apply to the exercise of the Executive Director's authority under section 162.01, and further summarized those principles as follows:

    - Orders should be protective, preventative, and intended to prevent future harm
    - I must aim to protect investors, promote the fairness and efficiency of the capital markets, and preserve public confidence in those markets
    - Sanctions should be sufficient to deter misconduct while remaining proportionate to the misconduct
    - I may consider both specific and general deterrence, keeping in mind that general deterrence should not lead to a crushing or unfit penalty.

    Re Capstone Asset Management, 2023 BCSECCOM 537, paras. 28 and 29

11. In the Notice, I also said I agreed with staff's submissions in the Report regarding the factors I must consider as set out in section 162.02 of the Act. Dollinger and staff made

extensive submissions on how to apply the above principles and those factors to this case. I analyze those submissions below.

Past Conduct

12. There is no dispute that Dollinger has not been the subject of any sanctions or penalties for securities misconduct.

Seriousness

13. As staff noted in the Report, I stated the following at para. 24 of *Doroudian*, 2025 BCSECCOM 117:

> The insider reporting regime is important because it deters insider trading and provides investors with valuable information about insiders' views on their companies' prospects. Timely reporting is particularly important in the case of active trading by insiders.

14. In the Report, staff asserted that Dollinger's contraventions are more serious because he was aware of restrictions placed on his ownership of the issuer's shares through the process of listing on the Canadian Securities Exchange (CSE) and so should have been extra vigilant as a result. His compliance with the CSE's requirement that he hold less than 10% of the shares is not at issue in this proceeding, but failing to report his trades in the issuer's shares deprived the CSE of the opportunity to take any action it felt was appropriate in the circumstances.

15. Neither Dollinger's counsel nor staff addressed this argument in their submissions following the Report. Based on the evidence, I conclude that Dollinger was aware of the CSE requirement for him to hold less than 10% of the shares of the issuer. I agree with staff that this makes his contraventions more serious. Stock exchanges are required to conduct their business and operations in a manner that is consistent with the public interest, and when they impose restrictions on someone's ability to participate in a reporting issuer, those restrictions need to be taken seriously. Dollinger should have been extra diligent to monitor his ownership of the issuer's securities when trading and been aware when he crossed the 10% threshold.

16. Against the above, I agree with Dollinger and staff that there are several factors making his contraventions less serious. The family and personal challenges he was facing at the time support that his contraventions were not intentional. He did not benefit financially, there is no sign that he tried to conceal his trading, and when notified of the deficiencies, he paid his late filing fees.

17. Dollinger submitted that his contraventions were less serious because the transactions had a limited effect on his overall ownership position. The average and median change in his ownership across the unreported transactions was less than 0.1%. Also, in the

case of the early warning reports, his ownership changes only barely crossed the reporting thresholds. Staff challenged this, noting that over the relevant period, his position in the issuer fluctuated between 10-16% and certain individual transactions involved ownership changes of up to 2.8%. Staff also argued that the amount by which Dollinger crossed the early warning thresholds is not relevant. Dollinger replied that staff misapprehended his submission; I must consider the totality of the circumstances and not every contravention is equally serious.

18. I agree with Dollinger that I must consider the totality of the circumstances and that a failure to file timely insider and early warning reports could be more serious when there are major changes in ownership. However, Dollinger did not challenge that his ownership of the issuer fluctuated between 10-16%. Also, insider reporting has value to investors beyond showing an insider's broad holdings in an issuer. It reveals that someone is a reporting insider. It can also show whether insiders are active in the market and therefore potentially supporting the price or providing liquidity. A 2% increase in holdings is potentially indicative of an intention to take control of an issuer. I conclude that the facts raised by Dollinger make his contraventions only moderately less serious.

Mitigating Factors

19. There are no mitigating factors. Dollinger's personal and family challenges go to seriousness and I have factored them in to my decision.

Need to Demonstrate Consequences and Deterrence

20. Dollinger submits that a $90,000 penalty is not needed. He cooperated with staff, took steps to fix his filings and paid his late fees, so specific deterrence should not be a primary concern. He also suggested that a large penalty based on general deterrence could be crushing, unfit, unreasonable or punitive. In reviewing all of the circumstances, I tend to agree that $90,000 is likely more than what is needed for specific or general deterrence.

Past Orders in Similar Circumstances

21. In the Notice, I wrote:

> 7. ... Regarding past orders in similar circumstances, I agree that the precedents staff have cited are relevant and that Dollinger's conduct may be situated between the Wisbey and Penn cases cited in the Report.
>
> 8. I agree, based on staff's analysis, that a penalty in the range of $85-95,000 is appropriate. I would set the amount of the administrative penalty at $90,000.

22. The suggestion that staff were recommending a range of $85-95,000 and the placement of the proposed penalty at the mid-point of that range was an error. As staff pointed out, they recommended a range of $80-90,000, the mid-point of which is $85,000. The Notice should have stated I considered it in the public interest to require Dollinger to pay a

penalty of $85,000, subject to his right to dispute the allegations or the amount of the penalty.

23. However, based on Dollinger and staff's submissions and a penalty decision I issued subsequent to the Notice, I have concluded the penalty should be significantly lower than $85,000.

24. The following table sets out some of the key facts related to the past orders for late insider reporting:

Case	Time Period	Value of Transactions	Number of Transactions	Other Factors	Penalty/ Undertaking	Late Fees	Total Payable
Wisbey	53 months	$6,983,101	685	Early warning, disclosure, and failure to file notices of distribution from a control position	$80,000	$18,750 paid	$98,750
Penn	36 months	$1,155,947	425	Early warning and disclosure contraventions Former registrant	$75,000 Agreed to take a course	$9,100 paid	$84,100
Rubin	36 months	$646,566	122	Early warning and disclosure contraventions Former registrant	$65,000 Agreed to take a course	$4,300 paid	$69,300
Townsend	45 months	$1,568,265	528	Prior insider reporting contravention	$60,000	$15,650 paid	$75,650

Case	Time Period	Value of Transactions	Number of Transactions	Other Factors	Penalty/ Undertaking	Late Fees	Total Payable
Doroudian	55 months	$986,398	624	No other contraventions	$50,000	$23,050 unpaid	$73,050
Anderson	48 months	$2,097,332	172	Early warning contraventions	$50,000	$10,300 paid	$60,300
Moore	27 months	$614,938	156	No other contraventions 2-3% of total volume, and had prior warning	$40,000	$9,000 of which $6,800 unpaid	$49,000
McLeary	~20 months	$1.2 million	105	Trading through offshore account for secrecy Permanently banned for market manipulation in other matter and again for insider reporting	$25,000	$5,250 paid	$30,250

25. Comparing Dollinger's contraventions to the cases in the above table:
    a. the time period of his contraventions was shorter than all of them at approximately 16 months
    b. the dollar value of his transactions was far higher at over $12 million
    c. the number of his transaction is roughly in the middle, at 258 transactions
    d. he contravened early warning requirements in addition to insider reporting requirements, but not disclosure requirements or requirements related to distributions from a control position

e. he is not a former registrant, although he has been an insider of a reporting issuer before
f. he has no prior sanctions for securities misconduct
g. he will not be subject to any other sanctions like market bans or an agreement to take a course
h. he should have been paying close attention to his holdings given exchange restrictions on his participation in the issuer.

26. I agree with Dollinger that, contrary to what I said in the Notice, his case should not be situated between *Wisbey* and *Penn*. There are no disclosure or control person contraventions here and he is not a former registrant. His penalty should be below the $65,000 imposed in *Penn*.

27. On the other hand, his penalty should be more than in *Doroudian*, *Anderson* and *Moore*, where there were no other contraventions, or only early warning contraventions, and no exchange restrictions. I also agree with staff that *McLeary* is less relevant because it involved permanent bans in addition to the $25,000 penalty and referred to McLeary's market manipulation contravention in a separate case.

28. Regarding late fees, after the Notice had been issued, I considered the role of late fees in *Townsend*:

> 18. It is important to consider the proper relevance of late filing fees. Townsend's submissions mostly refer to late fees as fees. However, para. 32 of Townsend's August 14, 2026 submissions, under Mitigating Factors, says that Townsend "has already paid late-filing penalties totalling $15,650". Under section 22, item 19 of the *Securities Regulation*, a person who files an insider report must pay $50 if it is filed outside the prescribed period. These fees are imposed alongside all of the BCSC's other fees for filing things like registration applications, financial statements, prospectuses, exempt distribution reports and various other applications. They are intended to defray the costs of administering the insider reporting regime and the BCSC's operations more generally. They are not penalties; penalties are generally imposed for a contravention after a respondent is provided with an opportunity to be heard or a hearing. Late fees paid should not be mechanically added or subtracted when determining the appropriate penalty amount.
>
> 19. When a respondent pays late fees, it is not a mitigating factor, but it does go to seriousness because it shows the respondent accepts responsibility for their late filing and the consequences. There may also be less need for specific deterrence. In setting the penalty, I should look at the entirety of the conduct of the respondent and the consequences the respondent has faced, but I must not treat late filing fees paid as part of the penalty.

29. I have factored the $5,500 in late fees that Dollinger paid into my analysis of the seriousness of his contravention and the need for deterrence.

30. I agree with Dollinger that using the $18,750 in late fees that Wisbey paid should not be used to justify a penalty in the range of $85-90,000.

31. Having considered the principles, factors and submissions set out above, I conclude that a $60,000 penalty is in the public interest.

Order

32. Under section 162.04(3) of the Act, I:

    a. confirm by order that Dollinger contravened section 3.3 of NI 55-104 and section 5.2 of NI 62-104, and

    b. order Dollinger to pay an administrative penalty of $60,000 by January 22, 2027.

I further confirm that Dollinger has the right, under section 165 of the Act, to seek a hearing and review by the Commission of this decision.

November 19, 2026

Peter J. Brady
Executive Director