

2006 BCSECCOM 165

Notice of Hearing

Hidden Valley Power Company Ltd., Hidden Valley Enterprises Inc. and Daryl Desjardins

Section 161 of the *Securities Act*, RSBC 1996, c. 418

- ¶ 1 The Commission will hold a hearing at which the Executive Director will tender evidence, make submissions and apply for orders against Hidden Valley Power Company Ltd., Hidden Valley Enterprises Inc., and Daryl Desjardins (collectively, the Respondents) under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418.
- ¶ 2 The Executive Director alleges that the following conduct and activity was contrary to the public interest.

Background

1. Hidden Valley Power Company Ltd. (Hidden Valley Power) is a British Columbia company. Hidden Valley Power has never filed a prospectus and has never been registered in any capacity under the Act.
2. Hidden Valley Enterprises Inc. (Hidden Valley Enterprises) is a Nevada company. Hidden Valley Enterprises has never filed a prospectus and has never been registered in any capacity under the Act.
3. Daryl G. Desjardins (Desjardins) is a businessman who resides in or around Abbotsford, British Columbia. Desjardins' current address is unknown. Desjardins has never been registered in any capacity under the Act.
4. From March 15, 2000 to present, Desjardins was the sole officer and shareholder of Hidden Valley Power.
5. From July 17, 2001 to present, Desjardins was the sole officer and director of Hidden Valley Enterprises.

Misconduct

Misrepresentations and Fraud

6. During 2003, Desjardins promoted Hidden Valley Power and Hidden Valley Enterprises to investors in the United States and made the following statements to those investors that are prohibited representations, contrary to section 50(1) (c) and (d) of the Act:

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- (a) Hidden Valley Power was to supply power to the power grid in British Columbia;
- (b) the foundation for one wind turbine had already been erected;
- (c) pads for additional turbines were being built;
- (d) the project was 30-120 days from completion;
- (e) Hidden Valley Power and Hidden Valley Enterprises' securities were going to be listed on a stock exchange.

None of these statements were true.

7. In 2003, Desjardins obtained from investors funds totaling approximately \$188,000. All investors, with the exception of one, were retirees. Desjardins provided investors with a business summary that explained Hidden Valley was to raise funds necessary to build a wind power facility on land near Chetwynd, British Columbia which power would then be sold to the Power Pool of Alberta. Instead, Desjardins used the funds he obtained from investors for his own personal benefit contrary to section 57.1 of the Act.
8. Hidden Valley Power bank statements indicate that Desjardins, the sole person authorized to draw funds from the account, spent more than \$100,000 using a debit card to purchase goods and services for his own personal use such as clothing, liquor, movies, groceries and gasoline.

Illegal Trading and Distribution

9. Desjardins distributed the securities of Hidden Valley Power and Hidden Valley Enterprises contrary to sections 34 and 61 of the Act.

Hearing Process

- ¶ 3 At the Hearing, the Respondents may be represented by counsel, make submissions and tender evidence. The Respondents are requested to advise the Commission of their intention to attend the Hearing by informing the Secretary to the Commission at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: commsec@bcsc.bc.ca.
- ¶ 4 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on Thursday, April 20, 2006, at 9:00 am if they wish to be heard before the Commission sets a date for the Hearing.

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- ¶ 5 If the Respondents or their counsel do not appear at the Hearing, the Executive Director will apply to have questions of liability and sanction heard at the same time. Determinations adverse to the Respondents may be made in their absence.
- ¶ 6 February 28, 2006
- ¶ 7 Brenda M. Leong
Executive Director