



British Columbia Securities Commission

Citation: 2018 BCSECCOM 369

**Temporary Order and Notice of Hearing**

**BridgeMark Financial Corp., Jackson & Company Professional Corp., Anthony Kevin Jackson,  
Lukor Capital Corp., Justin Edgar Liu,  
Rockshore Advisors Ltd. (formerly known as Cam Paddock Enterprises Inc.),  
Cameron Robert Paddock,  
Simran Singh Gill, JCN Capital Corp., John Rosarino Bevilacqua,  
Essos Corporate Services Inc., Sway Capital Corp., Von Rowell Torres,  
David Matthew Schmidt,  
Detona Capital Corp., Danilen Villanueva, Natasha Jon Emami,  
Altitude Marketing Corp., Ryan Peter Venier,  
Platinum Capital Corp., 658111 B.C. Ltd., Jason Christopher Shull,  
Tryton Financial Corp., Abeir Haddad,  
Tavistock Capital Corp., Robert John Lawrence,  
Jarman Capital Inc., Scott Jason Jarman,  
Northwest Marketing and Management Inc., Aly Babu Husein Mawji,  
Rufiza Babu Husein Mawji-Esmail, Denise Marie Trainor,  
Randy White, Escher Invest SA, Hunton Advisory Ltd., Kendl Capital Limited,  
1153307 B.C. Ltd., Russell Grant Van Skiver,  
Bertho Holdings Ltd., Robert William Boswell,  
Haight-Ashbury Media Consultants Ltd., Ashkan Shahrokhi,  
Saiya Capital Corporation, Tara Kerry Haddad,  
Keir Paul MacPherson,  
Tollstam & Company Chartered Accountants, Albert Kenneth Tollstam,  
727 Capital, David Raymond Duggan, Viral Stocks Inc., and 10X Capital**

**(the BridgeMark Group)**

**Cryptobloc Technologies Corp., New Point Exploration Corp.,  
Green 2 Blue Energy Corp., BLOK Technologies Inc.,  
Kootenay Zinc Corp., Affinor Growers Inc., Beleave Inc.,  
Liht Cannabis Corp. (formerly known as Marapharm Ventures Inc.), PreveCeutical  
Medical Inc.,  
Speakeasy Cannabis Club Ltd., and Abattis Bioceuticals Corp.**

**(the Issuers)**

**(collectively, the Respondents)**

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



- ¶ 1 The British Columbia Securities Commission (Commission) will hold a hearing under s. 161(3) of the *Securities Act*, RSBC 1996, c. 418 (the Act), to determine whether to extend the temporary order under section 161 based on the following facts:

**Summary**

1. Commission staff are investigating whether the Respondents violated securities legislation by participating in a scheme that involves conduct abusive to the capital markets and the illegal distribution of securities.
2. Staff are concerned that members of the BridgeMark Group generated profits for themselves and that the Issuers raised capital through the scheme, as follows:
  - (a) members of the BridgeMark Group entered into agreements to provide consulting services to the Issuers,
  - (b) members of the BridgeMark Group paid for free-trading securities of the Issuers through private placements,
  - (c) the Issuers issued securities through private placements to members of the BridgeMark Group relying on the consultant exemption to the prospectus requirement in section 2.24 of National Instrument 45-106 (Consultant Exemption),
  - (d) members of the BridgeMark Group purported to be consultants under the Consultant Exemption but were not,
  - (e) the Issuers paid most of the private placement funds back to members of the BridgeMark Group and kept very little of the money raised,
  - (f) members of the BridgeMark Group sold securities of the Issuers in the market, often at prices below the private-placement acquisition cost, and
  - (g) the Issuers issued news releases informing the market they raised the full amount of the private placement when they had only retained a small portion of the funds.
3. By engaging in the conduct set out in this Notice of Hearing, the BridgeMark Group engaged in conduct that is abusive to the capital markets, and the Issuers illegally distributed securities, contravening section 61 of the Act.
4. Temporary orders are required to stop the Respondents from abusing the capital markets while Commission staff complete their investigation. The length of time



required to hold a hearing into possible misconduct by the Respondents could be prejudicial to the public interest.

### **The Respondents**

#### ***BridgeMark Group***

5. Members of the BridgeMark Group purchased securities of one or more of the Issuers, received funds from one or more of the Issuers, or both.
6. BridgeMark Financial Corp. (BridgeMark) is a BC company.
7. Jackson & Company Professional Corp. (Jackson & Company) is a BC company.
8. Anthony Kevin Jackson (Jackson) is a resident of West Vancouver, BC, and is the sole director of both BridgeMark and Jackson & Company.
9. Lukor Capital Corp. (Lukor) was a BC company but dissolved on April 25, 2017.
10. Justin Edgar Liu is a resident of West Vancouver, BC, and was a director of Lukor until Lukor was dissolved. Liu was registered under the Act between 2011 and 2013.
11. Rockshore Advisors Ltd. is a BC company. It changed its name from Cam Paddock Enterprises Inc. on August 8, 2018.
12. Cameron Robert Paddock (Paddock) is a resident of North Vancouver, BC, and is the sole director of Rockshore Advisors Ltd.
13. Simran Singh Gill is a resident of Burnaby, BC.
14. JCN Capital Corp. (JCN) is a BC company whose registered and records office is the same as BridgeMark.
15. John Rosarino Bevilacqua is a resident of Vancouver, BC. He is the sole director of JCN.
16. Essos Corporate Services Inc. (Essos) is a BC company whose registered and records office is the same as BridgeMark.
17. Sway Capital Corp. (Sway) is a BC company whose registered and records office is the same as BridgeMark.
18. Von Rowell Torres is a resident of Surrey, BC. He is the sole director of both Essos and Sway.



19. David Matthew Schmidt is a resident of Surrey, BC and is the beneficial owner of Sway.
20. Detona Capital Corp. (Detona) is a BC company whose registered and records office is the same as BridgeMark.
21. Danilen Villanueva is a resident of Vancouver, BC. She is the sole director of Detona. Villanueva is also the receptionist for Jackson & Company.
22. Natasha Jon Emami is a resident of North Vancouver, BC.
23. Altitude Marketing Corp. (Altitude) is a BC company.
24. Ryan Peter Venier is a resident of West Vancouver, BC. He is the sole director of Altitude and the brother-in-law of Jackson.
25. Platinum Capital Corp. (Platinum) and 658111 B.C. Ltd. (658111 BC) are BC companies.
26. Jason Christopher Shull (Shull) is a resident of West Vancouver, BC. Shull was registered under the Act between February and July 2007. Shull is the sole director of Platinum and 658111 BC.
27. Tryton Financial Corp. (Tryton) is a BC company.
28. Abeir Haddad is a resident of West Vancouver, BC and is the sole director of Tryton.
29. Tavistock Capital Corp. (Tavistock) is a BC company.
30. Robert John Lawrence is a resident of Vancouver, BC and is the sole director of Tavistock.
31. Jarman Capital Inc. (Jarman) is a BC company.
32. Scott Jason Jarman is a resident of Vancouver, BC and is the sole director of Jarman.
33. Northwest Marketing and Management Inc. (Northwest) is a BC company.
34. Aly Babu Husein Mawji (Mawji) is a resident of Coquitlam, BC who provides consulting services to public companies through Northwest.



35. Rufiza Babu Husein Mawji-Esmail is a resident of Coquitlam, BC and is a director of Northwest. Mawji-Esmail is Mawji's sister.
36. Denise Marie Trainor is a resident of West Vancouver, BC and is an officer of Northwest. Trainor is Mawji's wife.
37. Randy White (White) is a resident of the Czech Republic.
38. Escher Invest SA (Escher) has an address in Zurich, Switzerland and is registered in the Marshall Islands. White is the beneficial owner of Escher.
39. Hunton Advisory Ltd. (Hunton) has an address in Perth, Australia and is registered in the Marshall Islands. White is the beneficial owner of Hunton.
40. Kendl Capital Limited (Kendl) has an address in Hong Kong.
41. 1153307 B.C. Ltd. (1153307 BC) is a BC company.
42. Russell Grant Van Skiver is a resident of Langley, B.C. and is the sole director of 1153307 BC.
43. Bertho Holdings Ltd. (Bertho) is a BC company.
44. Robert William Boswell is a resident of Vancouver, BC and is the sole director of Bertho.
45. Haight-Ashbury Media Consultants Ltd. (Haight-Ashbury) is a BC company.
46. Ashkan Shahrokhi is a resident of Vancouver, BC and is the sole director of Haight-Ashbury.
47. Saiya Capital Corporation (Saiya Capital) is a BC company whose registered and records office is the same as BridgeMark.
48. Tara Kerry Haddad is a resident of West Vancouver, BC and is the sole director of Saiya Capital.
49. Keir Paul MacPherson is a resident of Sechelt, BC.
50. Albert Kenneth Tollstam is a resident of North Vancouver, BC. He is the sole proprietor of Tollstam & Company Chartered Accountants.
51. 727 Capital is an entity registered in the Cayman Islands.



52. David Raymond Duggan is a resident of North Vancouver, BC and is the CEO of 727 Capital.
53. Viral Stocks Inc. (Viral) is an entity registered in the Cayman Islands. Viral uses BridgeMark's address.
54. 10X Capital (10X) is an entity registered in the Cayman Islands.

***The Issuers***

55. All of the Issuers are reporting issuers in British Columbia and are listed on the Canadian Securities Exchange (CSE). All of the Issuers relied on the Consultant Exemption to distribute securities without a prospectus to members of the BridgeMark Group.
56. Cryptobloc Technologies Corp. (Cryptobloc) is listed on the Frankfurt Stock Exchange (FSE) and quoted on OTC Markets Group in the United States (OTC). On June 28, 2018, IIROC halted the trading of Cryptobloc securities.
57. New Point Exploration Corp. (New Point) is listed on the FSE and OTC. On August 20, 2018, IIROC halted the trading of New Point securities.
58. Green 2 Blue Energy Corp. (Green 2) is listed on the FSE and OTC.
59. BLOK Technologies Inc. (BLOK) is listed on the FSE and OTC.
60. Kootenay Zinc Corp. (Kootenay) is listed on the FSE and OTC.
61. Affinor Growers Inc. (Affinor) is listed on the FSE and OTC.
62. Beleave Inc. (Beleave) is listed on the OTC.
63. Liht Cannabis Corp. (formerly known as Marapharm Ventures Inc.) (Marapharm) is listed on the FSE and OTC.
64. PreveCeutical Medical Inc. (PreveCeutical) is listed on the FSE and OTC.
65. Speakeasy Cannabis Club Ltd. (Speakeasy) is listed on the FSE.
66. Abattis Bioceuticals Corp. (Abattis) is listed on the FSE and OTC.



### Investigation to Date

67. Commission staff are investigating conduct of the Respondents related to private placements by all eleven Issuers.
68. The total number of securities issued in all of these private placements is 305,787,989, of which the BridgeMark Group purchased 252,147,883. The Issuers raised a total of \$54,468,160, of which \$50,882,274 came from members of the BridgeMark Group. The following table summarizes the private placements by each issuer to the BridgeMark Group.

2018	Issuer	Private placement to BridgeMark Group	Securities issued to members of the BridgeMark Group
Feb	Kootenay	\$1,209,600	4,480,000
Mar	Affinor	\$3,999,667	24,997,916
Apr	Green 2	\$4,280,000	14,266,665
Apr	Beleave	\$5,000,004	2,857,145
May	Marapharm	\$4,500,002	7,500,003
June	BLOK	\$4,500,000	22,500,000
June	Cryptobloc	\$4,500,000	30,000,002
June	Marapharm	\$4,575,000	9,150,000
June	Beleave	\$5,000,000	2,500,000
June	PreveCeutical	\$4,000,000	80,000,000
July	Abattis	\$2,250,000	13,235,294
July	Speakeasy	\$2,417,001	3,452,858
Aug	New Point	\$4,651,000	37,208,000
<b>TOTAL</b>		<b>\$50,882,274</b>	<b>252,147,883</b>

69. With respect to Green 2, Cryptobloc, BLOK and New Point, the evidence obtained by Commission staff to date shows that:
- the private placements raised a total amount of \$17,927,500,
  - the four Issuers paid \$15,331,000 back to the BridgeMark Group,
  - the BridgeMark Group sold shares of the four Issuers for \$8,769,923,
  - the scheme generated profits of \$6,173,423 to the BridgeMark Group, and
  - members of the BridgeMark Group who purchased securities from these four Issuers under the Consultant Exemption may not have been consultants under National Instrument 45-106.



70. Based on evidence obtained in respect of the other seven issuers, Staff are concerned that members of the BridgeMark Group also executed the scheme with those issuers.

### **Conduct Requiring Orders in the Public Interest**

71. Staff are concerned:

- (a) that members of the BridgeMark Group facilitated the Issuers' illegal distribution of securities by purporting to be consultants when they were not and that they did so to generate profits for themselves,
- (b) that the Issuers paid the majority of private placement proceeds back to the BridgeMark Group as consulting fees when little or no consulting services had been or were intended to be performed, and
- (c) that this conduct is abusive to the capital markets.

72. Staff are also concerned that the individual directors of BridgeMark Group companies could use the scheme using other companies with other issuers.

### **Temporary Order**

¶ 2 The Executive Director, considering the length of time to hold a hearing under section 161(1) of the Act could be prejudicial to the public interest under subsection (2), orders the following (the Temporary Orders):

- (a) Under section 161(1)(b)(ii), that members of the BridgeMark Group cease trading in, and are prohibited from purchasing, securities of the Issuers,
- (b) Under section 161(1)(c), that the exemption under section 2.24 of National Instrument 45-106 does not apply to the Issuers for a distribution to a consultant, and
- (c) Under section 161(1)(c), that the exemption under section 2.24 of National Instrument 45-106 for consultants does not apply to any issuer listed on the CSE for a distribution to a member of the BridgeMark Group.

### **Hearing Process**

¶ 3 A hearing (the Hearing) will be held in the 12<sup>th</sup> Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on **Friday, December 7, 2018, at 10:00 am**, at which time the Executive Director will ask the Commission to extend the temporary order until a hearing is held and a decision is rendered.

¶ 4 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.

- ¶ 5 If the Respondents or their counsel do not appear at the Hearing, the Executive Director may apply to have questions of liability and sanction heard at the same time and determinations adverse to the Respondents may be made.

*Peter J. Brady*

*Nov 26 2018 11:20 AM -8:00*

- ¶ 6 Peter J. Brady  
Executive Director