



British Columbia Securities Commission

Citation: 2019 BCSECCOM 303

## **Settlement Agreement**

**John Malcolm Cockburn**

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

- ¶ 1 The Executive Director of the British Columbia Securities Commission and John Malcolm Cockburn (Cockburn) agree as follows:

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

##### ***Background***

1. Cockburn is a resident of British Columbia. He is 78 years-old and has no history of regulatory misconduct.

##### ***Misconduct***

2. Cockburn was the sole officer and director of Smart Trak Technologies Inc., a BC company. Between August 2013, and March 2016, Smart Trak raised approximately \$866,000 from 83 investors without filing a prospectus and when prospectus exemptions did not apply.
3. As a result of the above activity, Smart Trak illegally distributed securities contrary to section 61 of the Act. As the sole officer and director of Smart Trak, Cockburn authorized, permitted or acquiesced in Smart Trak's illegal distribution and therefore also contravened section 61 by operation of section 168.2 of the Act.

##### ***Mitigating Factors***

4. Cockburn agreed to make early admissions with respect to the above-noted misconduct prior to the issuance of a notice of hearing.
5. Cockburn cooperated with staff throughout the investigation.

##### ***Public Interest***

6. It is in the public interest that the Executive Director issue orders under section 161 of the Act.



### ***Undertakings***

7. Cockburn undertakes to pay \$20,000 to the Commission, which is due and payable immediately without further demand.

### ***Order***

- ¶ 2 The Executive Director will issue an order (the Order) that:
1. under section 161(1)(d)(i), Cockburn resign any position he holds as a director or officer of an issuer or registrant;
  2. Cockburn is prohibited for four years:
    - (a) under section 161(1)(b)(ii), from trading in or purchasing any securities or exchange contracts, except that he may trade securities through a registrant in one RRIF account and one TFSA account held in his own name, if he first provides a copy of the Order to the registrant;
    - (b) under section 161(1)(d)(ii), from becoming or acting as a director or officer of any issuer or registrant;
    - (c) under section 161(1)(d)(iii), from becoming or acting as a registrant or promoter;
    - (d) under section 161(1)(d)(iv), from acting in a management or consultative capacity in connection with activities in the securities market; and
    - (e) under section 161(1)(d)(v), from engaging in investor relations activities.

### **Consent to Regulatory Orders**

- ¶ 3 Cockburn consents 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 Cockburn waives any right he 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 executed in counterpart or by facsimile execution and all such counterparts of executed copies or faxed copies shall be read or construed together as if they formed one originally executed document.

¶ 6 September 9 , 2019

¶ 7 John Malcolm Cockburn  
John Malcolm Cockburn

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

¶ 8 September 11 , 2019

*Peter J. Brady*

¶ 9 Peter J. Brady  
Executive Director