

Citation: 2019 BCSECCOM 445

Settlement Agreement

Robert Menzies Findlay

Securities Act, RSBC 1996, c. 418 (Act)

¶ 1 The Executive Director of the British Columbia Securities Commission (Executive Director) and Robert Menzies Findlay (Findlay) agree as follows:

Agreed Statement of Facts

Background

1. Findlay is a resident of Richmond, British Columbia. In June 2015, he was a consultant for a company then known as Simba Energy Inc. (Simba).
2. Simba, now known as Simba Essel Energy Inc., is an oil and gas exploration company with its head office in Vancouver, British Columbia. Simba's shares are listed on the TSX Venture Exchange and the Frankfurt Stock Exchange. They are also quoted on the Over-the-Counter markets in the US.
3. On June 7, 2015, Simba entered into a memorandum of understanding (MOU) with the Essel Group Middle East (Essel Group). Under the MOU, the Essel Group agreed to fund all future exploration costs of Simba's oil and gas assets in exchange for a 60% participating interest in those assets. The MOU was publicly disclosed on June 8, 2015.

Misconduct

4. As a result of his position as a consultant with Simba, Findlay had knowledge of undisclosed material information concerning the pending MOU since at least June 3, 2015.
5. On June 3 and 4, 2015, with knowledge of the undisclosed material information concerning the pending MOU, Findlay purchased 300,000 Simba shares.
6. Simba's share price closed at 4.5 cents the day the MOU was publicly disclosed, giving Findlay a notional profit of \$7,000 on his Simba shares purchased on June 3 and 4, 2015. However, Findlay waited almost two months after the MOU was publicly disclosed to sell his Simba shares.
7. Findlay's trading of Simba shares was contrary to section 57.2(2) of the Act.

Mitigating Factors

8. Findlay is remorseful and agreed to admit to this misconduct before the issuance of a notice of hearing.

Public Interest

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

Undertaking

10. Findlay undertakes to pay \$20,000 to the British Columbia Securities Commission, which sum is due and payable immediately, without further demand.

Order

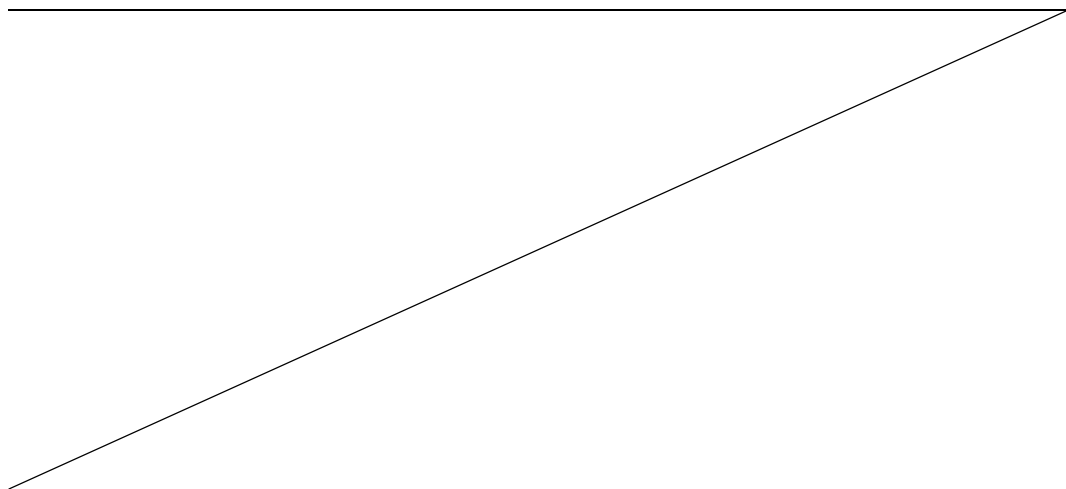
¶ 2 The Executive Director will issue an order (Order) under section 161(1)(b)(ii) of the Act that Findlay is prohibited from trading in or purchasing any securities or exchange contracts of an issuer he is in a special relationship with for the later of one year and the date that the amount in paragraph 10 is paid to the Commission

Consent to Regulatory Orders

¶ 3 Findlay consents to any regulatory order made by any provincial or territorial securities regulatory authority in Canada containing the Order set out in paragraph 2 above.

Waiver

¶ 4 Findlay 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 or electronically transmitted execution and all such counterparts of executed copies or faxed copies or electronically transmitted copies shall be read or construed together as if they formed one originally executed document.

¶ 6 December 19, 2019

¶ 7 Robert Menzies Findlay
Robert Menzies Findlay

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

¶ 8 December 19 , 2019

Peter J. Brady

¶ 9 Peter J. Brady
Executive Director