



Citation: 2015 BCSECCOM 231

## Notice of Hearing

### **Brent Glen Jardine and Indo Global Exchange(s) Pte, Ltd. (formerly Claridge Ventures, Inc.)**

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

- ¶ 1 The British Columbia Securities Commission (Commission) will hold a hearing (Hearing) at which the Executive Director will tender evidence, make submissions and apply for orders against Brent Glen Jardine (Jardine) and Indo Global Exchange(s) Pte, Ltd. (formerly Claridge Ventures, Inc.) (Claridge) under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

#### **Background**

1. Jardine is a British Columbia resident. He has never been registered under the Act.
2. In a Settlement Agreement that he made with the Commission on October 4, 2007, Jardine acknowledged that:
  - He had been a director and officer of a mining company quoted on an over-the-counter (OTC) market in the United States,
  - In those positions, he was responsible for ‘highly promotional’ and ‘misleading’ statements misrepresenting the value of the company’s assets, contrary to section 50(1)(d) of the Act, and
  - He was also responsible for the company’s failure to obtain and file the required NI 43-101 technical report.
3. Jardine further agreed to an order (the Settlement Order) prohibiting him, for the next two years (the Prohibition), from being a director or officer of any issuer.

#### **Misconduct**

##### ***Jardine Contravenes the Settlement Order, By Acting as a De Facto Director or Officer of Claridge During the Prohibition***

4. In the spring of 2008, within seven months of being banned from being a director, Jardine offered an unemployed friend in Alberta an opportunity to



make money by acting as a director and bringing in ‘seed’ shareholders for a company that Jardine would form.

5. Jardine’s friend agreed and became a director (the Alberta Director). The Alberta Director’s brother, who worked for an automotive dealership in Manitoba, also accepted a similar arrangement with Jardine (the Manitoba Director).
6. Neither the Alberta Director nor the Manitoba Director had:
  - Ever acted as a director or officer of a public company,
  - Any accounting credentials, or
  - Any previous experience in mineral exploration or operating a mining or exploration company.
7. On May 7, 2008, Jardine had Claridge incorporated in Nevada, identifying the Alberta Director and the Manitoba Director as the only directors and officers. Both became nominee directors (the Nominee Directors).
8. Despite the Settlement Order, Jardine was a *de facto* director or officer of Claridge from its incorporation and throughout the Prohibition. During that time, Jardine occupied a similar position and performed similar functions to a director or officer, including:
  - Organizing the Nominee Directors’ solicitation of ‘seed’ shareholders (June 2008),
  - Locating and arranging Claridge’s acquisition of a mining property (July 2008),
  - Identifying and retaining the geologist who sold Claridge its mining asset and who prepared a report on that property (June and July 2008),
  - Approving payments by Claridge, monitoring its finances, and overseeing its audit and its quotation on an OTC market (from at least July 2008 to September 2009),
  - Directing the Nominee Directors to sign and deliver documents, make payments, and forward information to Jardine and others (from at least July 2008 to February 2009),



- Running Claridge's business from his North Vancouver home (throughout the Prohibition), and
  - Contacting, coordinating with, and instructing the agent in British Columbia (the BC Agent) who:
    - prepared the incorporation documents for Claridge (April and May 2008),
    - located and dealt with Claridge's accounting firm, lawyer, EDGAR filer, transfer agent, and OTC market maker (July 2008 to July 2009), and
    - drafted and supervised its filings with the United States Securities and Exchange Commission (the SEC) (September 2008 to July 2009).
9. In the SEC filings, Claridge kept hidden Jardine's role in its business (the Misleading SEC Disclosure).
10. By engaging in the conduct described in paragraph 9 of this Notice of Hearing, Jardine acted as Claridge's director and officer during the Prohibition and therefore contravened the Settlement Order.

***Jardine Continues to Act as a De Facto Director or Officer of Claridge After the Prohibition Order Expires***

11. Jardine continued to be a *de facto* director or officer of Claridge from when the Prohibition ended until at least September 1, 2013. During that time, Jardine still occupied a similar position and performed similar functions to a director or officer, including:
- Managing Claridge's reorganization (November 2009 and April 2012),
  - Appointing new directors and officers in addition to the Nominee Directors (October 2012 and July 2013),
  - Investigating business opportunities and negotiating key deals for Claridge, including attempts to refocus its business on medical devices, vitamin water, and an online brokerage in Indonesia (including in September 2012 and July 2013),



- Continuing to:
  - approve payments by Claridge, monitor its finances, and oversee its audit and OTC market listing (September 2009 to September 2013),
  - direct Claridge's directors to sign and deliver documents, make payments, and forward information to Jardine and others (November 2009, February / March 2012, and July / August 2013),
  - run Claridge's business from his North Vancouver home (throughout the period between the Prohibition and September 1, 2013), and
  - coordinate with and instruct the BC Agent, who:
    - continued to draft and supervise Claridge's filings with the SEC, including Misleading SEC Disclosure (October 2009 to September 1, 2013), and
    - was directed to copy Jardine on all emails to the Alberta Director so that Jardine would "know what's going on" and could "explain to [the Alberta Director] what he needs to do" for Claridge, which Jardine called "my shell" (February 2012).

***Claridge Contravenes its Continuous Disclosure Obligations, Because Jardine Operates it from British Columbia During and After His Prohibition***

12. On October 29, 2007, before Jardine asked his friend to become a nominee director, the Commission published a proposed rule as part of its response to abusive practices involving OTC markets.
13. Under part of the proposed rule, companies listed on OTC markets would become reporting issuers under British Columbia law, if directed or administered from British Columbia (the OTC Rule).
14. The OTC Rule took effect on September 15, 2008 and remains in place.
15. On May 1, 2009, Claridge obtained a ticker symbol on an OTC market.
16. Because Jardine and the BC Agent were directing or administering the company from British Columbia at that time, Claridge became a reporting issuer under the OTC Rule. Claridge, however, has never filed any disclosure with the Commission.



17. Claridge evaded at least \$8,000 in fees payable to the Commission by not filing disclosure required by law between May 1, 2009 and September 1, 2013.
18. By failing to provide disclosure in compliance with the regulations, Claridge contravened section 85 of the Act.
19. As a *de facto* director or officer of Claridge, Jardine authorized, permitted, or acquiesced in its contravention of section 85 of the Act, and therefore he contravened the same provision through section 168.2 of the Act.

#### **Conduct Contrary to the Public Interest**

20. Jardine and Claridge's conduct described in this Notice of Hearing, including:

- Jardine's acting as a *de facto* director or officer of Claridge, while using nominee directors to conceal his earlier misconduct from the public and regulators, both during the Prohibition and after, and
- Claridge's filing the Misleading SEC Disclosure, which would have violated section 168.1 of the Act, if it had been filed with the Commission, as the law required,

harmed the reputation, integrity, and credibility of the province's securities market and regulatory environment, and is contrary to the public interest.

#### **Hearing Process**

- ¶ 2 The Respondents or their counsel are required to attend at the 12th Floor Hearing Room, 701 West Georgia Street, Vancouver, British Columbia, on **Tuesday, August 25, 2015, at 9:00 a.m.** if they wish to be heard before the Commission sets a date for the Hearing. Relevant information gathered by Commission Staff in the investigation of this matter will be disclosed to the Respondent upon request to the Executive Director.
- ¶ 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](mailto:commsec@bcsc.bc.ca).



- ¶ 4 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.

Paul C. Bourque  
Jun 11 2015 3:22 PM

- ¶ 5 Paul C. Bourque, Q.C.  
Executive Director