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News Release

BCSC alleges that Vancouver man and company defrauded investor of \$1.75 million

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Vancouver – The British Columbia Securities Commission (BCSC) is alleging that a Vancouver man and a company run by his father defrauded a B.C. investor and illegally distributed securities.

In a [Notice of Hearing](#), the BCSC says that Geoffrey Rajay Sidhu met the investor through a social network website, and learned that she owned a home mortgage-free and had a modest income. Sidhu offered to give her financial advice to improve her financial situation, and the investor accepted his offer.

Sidhu recommended that the investor obtain a mortgage against her home and use the proceeds to invest in real estate. Sidhu then helped the investor obtain a \$2,070,000 mortgage from a private lender on a one-year term.

After she was approved for a mortgage, Sidhu introduced her to Bracetek Industries Group Ltd., whose sole officer and director was Sidhu's father. Bracetek told the investor that it had licensed the exclusive right to develop, manufacture and sell proprietary braces used in residential and commercial construction.

Sidhu recommended that the investor invest \$1.75 million of the mortgage proceeds in Bracetek, telling her that the value of the investment would triple in value when his father took the company public within a year. She followed Sidhu's recommendation.

Before the investment, Sidhu and Bracetek failed to disclose important facts to the investor about Bracetek's financial condition:

- It had \$89.45 in its bank account and no revenues,
- It owed over \$300,000 in unpaid compensation, office furniture, rent and credit card debt, and
- It had never paid for the technologies used in its braces.

Bracetek used \$900,000 of the woman's investment to preserve an option to purchase another technology from companies controlled by Sidhu. It also used \$150,000 to buy back shares owned by Bracetek's co-founder. Neither expenditure was disclosed to the investor.

In addition, Bracetek, with Sidhu acting an agent, distributed its securities to the investor without filing a prospectus, a formal document that describes details of an investment. A prospectus exemption was not available for the transaction.

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The BCSC's allegations have not been proven. The commission has asked the parties to appear at the BCSC's offices on August 11, 2021 if they wish to be heard before the Commission schedules a hearing.

About the British Columbia Securities Commission (www.bcsc.bc.ca)

The British Columbia Securities Commission is the independent provincial government agency responsible for regulating capital markets in British Columbia through the administration of the Securities Act. Our mission is to protect and promote the public interest by fostering:

- A securities market that is fair and warrants public confidence
- A dynamic and competitive securities industry that provides investment opportunities and access to capital

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