



Citation: 2022 BCSECCOM 435

Notice of Hearing

**Alexander William Bridges (a.k.a. Alex Blackwell),
Shane Douglas Harder-Toews, and Fraser Valley Hop Farms Inc.**

(collectively, the Respondents)

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 the Respondents under sections 161, 162 and 174 of the *Securities Act*, RSBC 1996, c. 418 (the Act), based on the following facts:

Summary

1. Fraser Valley Hop Farms Inc. (FVHF) and Bridges committed fraud when they represented to 18 investors who invested \$1,852,300 in FVHF that their funds would be used on the hops farm, but used approximately \$500,000 of these funds on expenses unrelated to the hops farm.
2. The Respondents illegally distributed securities of FVHF to 13 investors, who invested \$931,000.

Background

3. Fraser Valley Hop Farms Inc. (FVHF) was a British Columbia company that represented itself as a company engaged in the business of hops farming. FVHF leased a 125 acre hop farm in the Fraser Valley and stated that its goal was to plant, grow, harvest and sell hops to the BC craft brewing industry.
4. Alexander Bridges, also known as Alex Blackwell (Bridges) was a resident of British Columbia at all relevant times. Bridges was the sole named director of FVHF. Bridges controlled FVHF's bank account, solicited investors and decided what to do with investors' money.
5. Shane Douglas Harder-Toews (Toews) is a resident of British Columbia and was the marketing director of FVHF, solicited investors and was a *de facto* director of FVHF.

Misconduct

Fraud – FVHF and Bridges

6. Between December 14, 2016 and July 26, 2018, 18 investors invested \$1,852,300 in FVHF.



7. FVHF and Bridges represented to the investors, either directly or through Toews, that their funds would be used on the hops farm. Instead, they used approximately \$500,000 of the investors' funds to pay Bridges, make cash withdrawals and pay other expenses unrelated to the hops farm.
8. By engaging in this conduct, FVHF and Bridges contravened section 57(b) of the Act.

Illegal distribution – all Respondents

9. Between December 14, 2016 and May 27, 2019, FVHF made 22 distributions of its shares to 13 investors for proceeds of \$931,000, for which a prospectus had not been filed, and exemptions from the prospectus requirements were not available.
10. Every time FVHF distributed a security to an investor without an exemption, it contravened section 61 of the Act.
11. Bridges contravened section 61 of the Act with respect to 16 distributions of FVHF securities for proceeds of \$683,000.
12. Toews contravened section 61 of the Act with respect to 10 distributions of FVHF securities for proceeds of \$378,000.

Contraventions under s. 168.2 of the Act – Bridges and Toews

13. As the director of FVHF, Bridges authorized, permitted or acquiesced in FVHF's contraventions of sections 57(b) and 61 of the Act and therefore contravened the same provisions under section 168.2 of the Act.
14. As a *de facto* director of FVHF, Toews authorized, permitted or acquiesced in FVHF's contraventions of section 61 of the Act and therefore contravened the same provision under section 168.2 of the Act.

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 **Wednesday, December 7, 2022, 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 Hearing Office at PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2 phone: (604) 899-6500; email: hearingoffice@bcsc.bc.ca.



- ¶ 4 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. Determinations adverse to the Respondents may be made in their absence.
- ¶ 5 Orders made against the Respondents in this matter may automatically take effect against them in other Canadian jurisdictions, without further notice to the Respondents.

Peter J Brady
Nov 1 2022 10:17 AM -07:00

- ¶ 6 Peter J. Brady
Executive Director