

ALBERTA SECURITIES COMMISSION

Citation: Re Neilson, 2022 ABASC 20

Docket: ENF-012633

Date: 20220304

NOTICE OF HEARING

To: James Russell Neilson (Respondent)

A. NOTICE

Staff of the Alberta Securities Commission (**Staff**) will make written submissions to the Alberta Securities Commission (the **Commission**) pursuant to section 198.1(2)(a)(i) for an order under section 198(1) of the *Securities Act*, RSA 2000 c S-4, as amended (the **Act**).

B. ORDERS SOUGHT

Staff seek a permanent order that:

1. Under section 198(1)(b), the Respondent cease trading in any security or derivatives;
2. Under section 198(1)(c), that all of the exemptions contained in Alberta securities laws do not apply to the Respondent;
3. Under section 198(1)(c.1), the Respondent be prohibited from engaging in investor relations activities;
4. Under section 198(1)(d), the Respondent be directed to immediately resign from all positions he holds as a director or officer of any issuer, registrant, investment fund manager, recognized exchange, recognized self-regulatory organization, recognized clearing agency, recognized trade repository, designated rating organization or designated benchmark administrator;
5. Under section 198(1)(e), the Respondent be prohibited from becoming or acting as a director or officer or as both a director and an officer
 - (i) of any issuer or company that is authorized to issue securities, or
 - (ii) of a registrant, investment fund manager, recognized exchange, recognized self-regulatory organization, recognized clearing agency, recognized trade repository, designated rating organization or designated benchmark administrator;
6. Under section 198(1)(e.1), the Respondent be prohibited from advising in securities or derivatives;

7. Under section 198(1)(e.2), the Respondent be prohibited from becoming or acting as a registrant, investment fund manager or promoter;
8. Under section 198(1)(e.3), the Respondent be prohibited from acting in a management or consultative capacity in connection with activities in the securities market; and
9. Under section 198(1), such further and other orders as the Commission considers appropriate in the public interest.

C. GROUNDS

The grounds are:

- (a) The Respondent was convicted of three counts of fraud over \$5,000 pursuant to section 380(1)(a) of the *Criminal Code*, RSC 1985, c C-46 on July 24, 2020, amongst other convictions;
- (b) The convictions related to offences committed in the Province of Alberta;
- (c) The offences arose from transactions, business or a course of conduct related to securities or derivatives; and
- (d) It is in the public interest for the Commission to make the order sought by Staff.

D. MATERIALS TO BE RELIED ON

Staff will rely on the following:

- (a) *R v Neilson*, 2020 ABQB 433;
- (b) *R v Neilson*, 2020 ABQB 556;
- (c) The Affidavit of Jolie Rattenbury, investigator in the Enforcement branch of the Commission, sworn July 21, 2021, together with the Exhibits attached;
- (d) The Affidavit of Laurie Conklin, legal assistant in the Enforcement branch of the Commission, sworn February 2, 2022, together with the Exhibit attached; and
- (e) Such further and other materials as Staff may advise and the Commission may permit.

E. PROCEDURE

The Respondent has an opportunity to be heard and may do so with or without legal counsel.

If the Respondent wishes to make oral submissions or present evidence to the Commission, the Respondent must, within 21 days of the date of service of this Notice, contact Jayne Lewis, Registrar, by telephone at 403.297.4277, by email at registrar@asc.ca or facsimile at 403.297.4486, following which a hearing date and time will be set by the Commission.

If the Respondent wishes to make written submissions, the Respondent must, within 28 days of the date of service of this Notice, deliver the submissions, together with any supporting evidence, to Jayne Lewis, Registrar, Alberta Securities Commission, 6th Floor, 250 - 5 Street SW, Calgary, AB, T2P 0R4.

The Respondent may choose to make both oral and written submissions, in which case, the Respondent must comply with each of the above time limits.

If the Respondent does not choose to provide evidence or make submissions, the Commission will consider the application on or after 30 days from the date of this Notice and may make an order against the Respondent without further notice.

Calgary, Alberta, this 4 day of March,) ALBERTA SECURITIES COMMISSION
2022.)
)
) "*Original signed by*"
) _____
) Samir Sabharwal
) Acting Executive Director