

ALBERTA SECURITIES COMMISSION

Citation: Re Braaksma, 2025 ABASC 34

File No.: ENF-013060

Date: 20250410

NOTICE OF HEARING

To: Jelle Braaksma and Trust Management Services Inc. (**Respondents**)

Notice: The Alberta Securities Commission (the **Commission**) will convene at 2:00 p.m. on Wednesday, May 28, 2025, or as otherwise directed (the **Set Date Hearing**), at Calgary, Alberta, to set a date or dates for the conduct of a hearing regarding the allegations in this Notice (the **Merits Hearing**). At the Merits Hearing, the Commission will consider whether the allegations have been proven. If so, the Commission will subsequently consider whether it is in the public interest to make orders against you under sections 198, 199, and 202 of the *Securities Act*, RSA 2000, c. S-4, as amended (the *Act*).

Location: Alberta Securities Commission, 5th Floor, 250 – 5 Street S.W., Calgary, Alberta.

Procedure:

1. You may obtain disclosure and further information about particulars of the allegations in this Notice from Matthew Bobawsky, c/o Alberta Securities Commission, 600, 250 – 5 Street S.W., Calgary, Alberta, T2P 0R4, phone: 403.355.3873, email: Matthew.Bobawsky@asc.ca.
2. You may be represented by legal counsel or represent yourself. You or your legal counsel may make representations at the Set Date Hearing as part of the process for scheduling the Merits Hearing and the hearing management sessions that will take place between the Set Date Hearing and the Merits Hearing. At the Merits Hearing, you or your legal counsel may make representations and introduce relevant evidence regarding the allegations in this Notice.
3. If you or your legal counsel fail to attend the Set Date Hearing, the scheduling of the Merits Hearing and the hearing management sessions may proceed in your absence without further notice, and the Merits Hearing itself may proceed in your absence without further notice, following which orders may be made against you.

See attached sections 29, 75(1)(a), 92(4.1), 100(2), 198, 199 and 202 of the Act, and Commission Rule 15-501 – Rules of Practice and Procedure for Commission Proceedings.

Reciprocation: Take notice that orders or settlements made by the Commission may form the basis for parallel orders in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions may allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to you. If an order is made or a settlement agreement is reached in relation to this Notice, you should contact the securities regulator of any other jurisdiction in which you may intend to engage in any securities related activities.

Allegations

Parties

1. Jelle Braaksma (**Braaksma**) resides in Bragg Creek, Alberta.
2. Trust Management Services Inc. (**TMSI**) is an Alberta company incorporated on December 27, 2000. Braaksma is a director of TMSI and, at all relevant times, was TMSI's guiding mind.

Circumstances

3. From approximately April 2021 to January 2022 (the **Relevant Period**), TMSI raised \$750,000 USD for a purported investment opportunity with a commodities trader called Swiss Alpine Trust AG (**Swiss Alpine**).
4. The investment opportunity was a security within the meaning of section 1(ggg) of the *Act*, the terms and conditions of which included that:
 - 4.1 investors would receive a return of either 96 per cent or 105.6 per cent per year on a principal investment of \$150,000 USD, which would yield between \$144,000 USD and \$158,400 USD in returns over a one-year term;
 - 4.2 investors' principal investment would be used by Swiss Alpine to generate profits, the proceeds of which were to be distributed monthly on the last day of each month;
 - 4.3 TMSI would be paid a certain per cent of the expected return; and
 - 4.4 TMSI guaranteed investors it would repay their principal investment of \$150,000 USD (the **Guarantee**). In particular, the Guarantee stated:

TRUST will absolutely, unconditionally and irrevocably guarantee payment to the CLIENT in the amount of One Hundred Fifty Thousand United States Dollars (US\$150,000.00) owing to the CLIENT from or by TRUST or any successor to TRUST, in connection with this Agreement...

Unregistered Dealing

5. During the Relevant Period, TMSI traded, and engaged in certain acts in furtherance of that trading, within the meaning of section 1(jjj) of the *Act* by, among other things:
 - 5.1 employing, or contracting with, persons to find prospective investors to invest with Swiss Alpine;
 - 5.2 promoting commodities trading on its website and through its employees or contractors;
 - 5.3 collecting information about prospective investors and determining their suitability for investing with Swiss Alpine; and
 - 5.4 drafting profit-sharing agreements;
 (the **Trading Activity**).
6. During the Relevant Period, at least eight individual investors in Alberta, Ontario and from outside Canada, individually and/or collectively, caused five corporations they controlled to each invest \$150,000 USD with Swiss Alpine and to enter profit-sharing agreements with TMSI.
7. During the Relevant Period, TMSI acted as a dealer within the meaning of section 1(m) of the *Act*, including by:
 - 7.1 engaging in activities similar to a registrant pursuant to National Instrument 31-103 (**NI 31-103**), *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;
 - 7.2 intermediating trades between investors and Swiss Alpine;
 - 7.3 directly or indirectly carrying on the Trading Activity with repetition, regularity or continuity;
 - 7.4 being, or expecting to be, compensated for the Trading Activity; and
 - 7.5 directly or indirectly soliciting securities transactions for a business purpose;
 (collectively, with the Trading Activity, the **Registrable Conduct**).
8. Neither TMSI nor Braaksma have ever been registered under Alberta securities laws.
9. None of the exemptions in Part 8 of NI 31-103 applied to TMSI, Braaksma or their Registrable Conduct.

Prohibited Statements

10. During the Relevant Period, TMSI made the Guarantees, and those Guarantees were each a statement within the meaning of section 100(2) of the *Act*.
11. The Guarantees were untrue or omitted information necessary to prevent the Guarantees from being false or misleading in the circumstances in which they were made. At the time each Guarantee was made, the untrue or omitted information included the following facts:
 - 11.1 the Guarantee exceeded TMSI's capacity to repay investors;
 - 11.2 no or insufficient measures were taken by or on behalf of TMSI to protect investors' principal investment; and
 - 11.3 there was nothing to prevent TMSI from, at any time, dissipating the corporate assets TMSI could have relied on, if any, to pay the Guarantees;

(the **Omitted Facts**).
12. A reasonable investor would consider the Guarantees important in deciding whether to enter into a trading relationship with TMSI.

Misrepresentation

13. During the Relevant Period, TMSI made the Guarantees, and those Guarantees were each a statement within the meaning of section 92(4.1) of the *Act*.
14. TMSI knew or ought to have known the Guarantees were, in a material respect, and at the time and in the light of the circumstances in which they were made, misleading or untrue, or failed to state a fact that was required to be stated or necessary to make the Guarantees not misleading. The facts TMSI failed to state or that were necessary to make the Guarantees not misleading included, among other things, the Omitted Facts.
15. TMSI knew or ought to have known that the Guarantees would reasonably be expected to have a significant effect on the market price or value of the investment opportunity because they were statements about the safety and security of the investment opportunity.

Braaksma was TMSI's Guiding Mind and Authorized, Permitted and Acquiesced in TMSI's Breaches

16. During the Relevant Period, Braaksma, as the guiding mind of TMSI, authorized, permitted and acquiesced in each of TMSI's breaches of the *Act* described in this Notice of Hearing.

Breaches

17. As a result of the above, Staff allege that TMSI breached:
- 17.1 section 75(1)(a) of the *Act* by acting as a dealer without being registered in accordance with Alberta securities laws;
 - 17.2 section 100(2) of the *Act* by making an untrue statement, or a statement that omitted information necessary to prevent the statement from being false or misleading in the circumstances in which it was made, about something that a reasonable investor would consider important in deciding whether to enter into or maintain a trading relationship with it; and
 - 17.3 further or in the alternative, section 92(4.1) of the *Act* by making statements it knew or reasonably ought to have known were, in a material respect, misleading or untrue, did not state facts that were required to be stated or necessary to make the statements not misleading, and would reasonably be expected to have a significant effect on the market price or value of a security.
18. As a result of the above, Staff allege that Braaksma authorized, permitted or acquiesced in TMSI's breaches of the *Act*.

Calgary, Alberta, 10 April, 2025.

) ALBERTA SECURITIES COMMISSION
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) "Original Signed By"
) Samir Sabharwal
) Executive Director