



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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Citation: Seemann (Re), 2018 ONSEC 28

Date: 2018-06-01

File No. 2018-19

**IN THE MATTER OF
HARALD SEEMANN, JENS BRANDT and
KARL PAWLOWICZ**

**ORAL REASONS FOR APPROVAL OF SETTLEMENT
(Sections 127 and 127.1 of the *Securities Act*, RSO 1990, c S.5)**

Hearing: June 1, 2018

Decision: June 1, 2018

Panel: Janet Leiper Commissioner and Chair of the Panel

Appearances: Jennifer Lynch For Staff of the Commission

Clarke Tedesco For Jens Brandt

ORAL REASONS FOR APPROVAL OF SETTLEMENT

The following reasons have been prepared for publication in the Ontario Securities Commission Bulletin, based on the reasons delivered orally at the hearing, and as edited and approved by the Panel, to provide a public record.

I. INTRODUCTION

- [1] The Respondent, Jens Brandt, has entered into a settlement agreement with Staff of the Commission. The settlement agreement was jointly filed by the parties for consideration at this hearing. The agreement includes a description of Mr. Brandt's conduct and proposes an order imposing sanctions on Mr. Brandt.
- [2] After considering the proposed settlement, prior settlement approval decisions and the principles to be applied to settlements, I have concluded that the requested order is in the public interest. These are my reasons for making this finding.

II. THE CONDUCT

- [3] The settlement agreement describes the conduct at issue that has attracted the joint request for sanctions under the Ontario *Securities Act*¹ (the **Act**). Mr. Brandt's settlement follows the settlement of another Respondent in this matter, Harald Seemann, which was approved by the Commission on May 7, 2018.
- [4] Mr. Brandt was the Chief Financial Officer and a director of Big Rock Labs Inc. (**Big Rock**), a reporting issuer in Ontario. Mr. Seemann was the founder, directing mind and a director and officer of Big Rock.
- [5] The conduct at issue occurred in June 2014, at a time prior to Mr. Brandt becoming a director and officer of Big Rock. On two occasions during the month of June 2014, Mr. Brandt participated in transactions involving Big Rock shares at the direction or request of Mr. Seemann. Mr. Seemann has admitted in his settlement with the Commission that these transactions formed part of a manipulative trading scheme in Big Rock shares that created a misleading appearance of market activity in an attempt to generate interest and create liquidity in the shares.
- [6] Mr. Brandt admits that by participating in this course of conduct, he acted contrary to the public interest.

III. THE PROPOSED SETTLEMENT

- [7] The terms of the settlement include the following sanctions against Mr. Brandt:
 - a. a payment to the Commission in the amount of \$12,500 for the benefit of third parties;
 - b. a one-year ban on buying or selling any securities, except that Mr. Brandt may buy or sell mutual funds, exchange-traded funds or index funds securities under a registered retirement savings plan, registered education saving plan, tax-free savings account or self-directed retirement savings plan;

¹ RSO 1990, c S.5.

