

**IN THE MATTER OF
TROY RICHARD JAMES HOGG and
T.J.L. PROPERTY MANAGEMENT INC.**

**NOTICE OF APPLICATION OF
TROY RICHARD JAMES HOGG and
T.J.L. PROPERTY MANAGEMENT INC.**

The applicants, Troy Richard James Hogg (“Hogg”) and T.J.L. Property Management (“TJL Property”), will make an Application to vary a freeze direction (the “Direction”) issued November 13, 2020 and an Amended Certificate of Direction issued on June 29, 2021 (the “Certificate”), pursuant to subsection 126(7) of the *Securities Act*, R.S.O. 1990, c.S.5, as amended (the “Act”) to the Ontario Securities Commission (the “Commission”) on a date and time to be scheduled by the Commission.

ORDER SOUGHT:

- (a) An Order varying the Direction and the Certificate so as to allow the sale of the property known by the municipal address of 79 Gill Road, Grand Bend (“79 Gill Road”);
- (b) An Order for a confidential conference to get direction from the Commission on the filing of Staff’s Application Record in Court File No. CV-20-00651476-00CL; and
- (c) Such further and other relief as the Commission may seem just.

GROUNDS:**The Acquisition of 79 Gill Road**

- (a) 79 Gill Road is owned by TJJ Property Management Inc. (“TJJ Property”);
- (b) Troy Richard James Hogg (“Hogg”) is the owner, sole officer and sole director of TJJ Property;
- (c) On March 6, 2019, TJJ acquired 79 Gill Road. A portion of the purchase price, \$410,000, came from funds that were derived from the sale of Dignity tokens;
- (d) Hogg has made improvements to the property over the years spending approximately \$250,000 on 79 Gill Road;

Mortgages on 79 Gill Road

- (e) In or about May 1, 2020, TJJ Property obtained a mortgage from Oppono Lending Company (“Oppono”) in the amount of \$600,000. Oppono is an arms-length lender with no connection to Hogg or any of his companies;
- (f) In or about September 2020, TJJ Property obtained a second mortgage from 11269836 Canada Limited (“836 Canada”) in the amount of \$430,000. 836 Canada is an arms-length lender with no connection to Hogg or any of his companies;
- (g) Both mortgages on the property have matured. TJJ Property has been unable to negotiate new mortgages with other lenders, in part due to the Direction, and the

current lenders are not willing to renew on terms that are acceptable to TJJ Property;

- (h) On June 10, 2021, Hogg was served with a notice of sale under mortgage and a notice of intention to enforce security by 836 Canada, which holds a mortgage on 79 Gill Road;
- (i) TJJ Property is now faced with a forced sale of the property. In order to resolve the situation, TJJ Property plans to sell 79 Gill Road on the open market and pay off the mortgages. It is anticipated that the property will be listed at an asking price between \$1.8 million and \$2.1 million;
- (j) Hogg proposes that TJJ Property be allowed to sell 79 Gill Road and use the proceeds to pay off the mortgages and then pay the amount derived from the sale of Dignity tokens, being \$410,000, into Court;

The Direction and The Court Application

- (k) On November 13, 2020, the Commission issued several directions, including the Direction, pursuant to section 126(1)(c) of the Act. The Direction prohibited Hogg from, among other things, transferring or otherwise dealing with property that is derived from the proceeds of sale of Dignity tokens;
- (l) On November 17, 2020 the Commission commenced a Court Application, Court File No. CV-20-00651476-00CL, pursuant to sections 126(5) and 126(5.1) of the Act for the continuation of the directions;

- (m) On March 25, 2021, a court order was taken out on the consent of Hogg, Gables Holdings Inc. (“Gables”) and Colonial Hotel (Grand Bend) Limited (“Colonial”) continuing the directions against Hogg, Gables and Colonial. The fourth respondent, Cryptobontix Inc. (“Cryptobontix”) did not appear;
- (n) As part of that order, Gables and Colonial were able to sell properties with the balance of the proceeds, after paying the relevant mortgages and expenses, paid into Court;
- (o) On or about June 1, 2021, Staff provided Hogg with a copy of the proposed Application Record to be filed in Court for the continuation of the direction as against Cryptobontix;
- (p) The Application Record includes an affidavit from a member of Staff in the Enforcement Branch. The evidence provided by this member of Staff includes information compelled by Staff pursuant to section 13 of the Act;
- (q) Staff has confirmed that they do not intend to bring an application under section 17 of the Act to disclose the compelled information. Staff has advised that they intend to file the Application Record, including the affidavit containing evidence protected by section 16 of the Act;
- (r) On June 29, 2021, the Commission issued the Certificate pursuant to section 126(1)(c) of the Act. The Certificate prevents TJL Property from selling 79 Gill Road;
- (s) Sections 13, 16, 17, 126 and 127 of the Act;

- (t) Rules 17 and 20 of the *Ontario Securities Commission Rules of Procedure and Forms*; and
- (u) Such further and other grounds as the lawyers may advise.

EVIDENCE will be used at the hearing of the Application:

- (a) The affidavit of Troy Hogg to be sworn; and
- (b) Such further and other evidence as the lawyers may advise.

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O'TOOLE ADVOCACY
43 Front Street East, Suite 400
Toronto, ON M5E 1B3

Bruce O'Toole (LSO NO. 481370)

Tel: 647.946.2490
Email: botoole@otalaw.ca

Lawyers for the Applicants, Troy Richard James Hogg
and T.J.L. Property Management

TO: **THE ONTARIO SECURITIES COMMISSION**
19TH Floor
20 Queen Street West
Toronto, ON M5H 3S8

Grace Knakowski, Secretary
Tel: (416) 596-4252
Email: gknakowski@osc.gov.on.ca

AND TO: **THE ONTARIO SECURITIES COMMISSION**
20 Queen Street West, 22nd Floor
Toronto, ON M5H 3S8

Erin Hault (LSO No. 54002C)
Senior Litigation Counsel
Tel: (416) 593-8290
Email: ehault@osc.gov.on.ca

Alvin Qian (LSO No. 72360F)
Tel: (416) 593-8290
Email: aqian@osc.gov.on.ca

Staff of the Ontario Securities Commission