



British Columbia Securities Commission

**By email**

REPLY TO:  
C. Paige Leggat  
Direct Phone: (604) 899-6724  
Email: [pleggat@bcsc.bc.ca](mailto:pleggat@bcsc.bc.ca)

December 30, 2013

Rodney Jack Wharram



Email: [rod@westkarma.com](mailto:rod@westkarma.com)  
(for all Respondents)

**WITHOUT PREJUDICE**

Dear Mr. Wharram:

**Re: The Falls Capital Corp., Deercrest Construction Fund Inc., West Karma Ltd.  
and Rodney Jack Wharram**

I write in response to your November 7, 2013 settlement proposal.

The following are the terms on which Commission staff would recommend that the Executive Director settle this case. As I have explained to you, Commission staff do not have authority to settle cases or to set the terms for settlement. The Executive Director has that authority, and we will not seek his approval of the settlement terms unless you indicate that you and the Corporate Respondents (as defined in the Notice of Hearing) agree to the terms.

We would recommend settlement to the Executive Director if you and the Corporate Respondents:

- a. admit to all the allegations in the Notice of Hearing;
- b. agree to a permanent order that all persons cease trading in the Corporate Respondents;
- c. accept a permanent ban from acting as an officer or director of any issuer and engaging in investor relations activities; and
- d. agree to pay to the Commission:



Rodney Jack Wharram  
December 30, 2013  
Page 2

- a. the disgorgement sum of \$4,316,190 being funds obtained as a result of the contraventions of the Act; and
- b. a sanction of \$1,500,000.

If you and the Corporate Respondents agree to all of these terms we will seek instructions from the Executive Director to pursue settlement. We look forward to hearing from you.

Yours truly,

C. Paige Leggat  
Senior Litigation Counsel  
Enforcement Division  
PL/crc