

**IN THE MATTER OF THE MORTGAGE BROKERS ACT
R.S.B.C. 1996, c. 313**

And

**RITA DARLENE SMEETON dba
FIRST CHOICE MORTGAGES**

ORDER

Upon reviewing the Notice of Opportunity to be Heard ("the Notice") and the covering letter to Rita Smeeton ("Smeeton") dated September 8, 2006, the Affidavit of Delivery and the materials contained in the Hearing Brief, and after hearing from Colin Parcher, Manager, Investigative Services, and on being satisfied that Smeeton was served with the Notice, the covering letter and a copy of the Hearing Brief, and on being satisfied that Smeeton did not request an opportunity to be heard, I make the following Findings:

A. FINDINGS:

1. Smeeton is registered as a mortgage broker under the *Mortgage Brokers Act* ("the Act") and is doing business as First Choice Mortgages ("First Choice").
2. Smeeton dba First Choice did not file a satisfactory Statutory Declaration confirming that:
 - 1) no trust funds were received or handled during the fiscal year ending December 31, 2005; and
 - 2) no funds were received that should have been held in trust during the fiscal year ending December 31, 2005within the prescribed time limits, contrary to section 6 of the *Mortgage Brokers Act Regulations* ("the Regulations") and contrary to section 8 of the *Conditions of Registration*.
3. Smeeton dba First Choice did not pay the required \$500.00 late filing fee for failing to file the Statutory Declaration on time, even though she

was advised of this requirement by [REDACTED], contrary to section 8(c) of the Conditions of Registration.

4. Smeeton, as a registered mortgage broker, disregarded directions from the staff of the Registrar. I am satisfied that Smeeton did not respond to numerous letters from the staff of the Registrar which required a response, failed to attend appointments made with her by investigator Parcher during the course of his investigation and failed to respond to telephone messages from investigator Parcher made during the course of his investigation. It is incumbent upon registered mortgage brokers to cooperate with the office of the Registrar during the course of their regulated activities and in the course of investigations by the Registrar into their regulated conduct. Smeeton failed to do so, and thereby conducted business in a manner prejudicial to the public interest.
5. Smeeton, as a registered mortgage broker, did not adequately supervise [REDACTED], a submortgage broker registered with her. I am satisfied that Smeeton had very little communication with [REDACTED] and that she did not ensure that [REDACTED] was aware of the new requirements under the *Business Practises and Consumer Protection Act*. I therefore conclude that Smeeton conducted business in a manner prejudicial to the public interest.
6. Smeeton would be disentitled to registration if she were an applicant under section 4 of the *Act*. I am satisfied that Smeeton's registered address was unsuitable for conducting mortgage broker business. I am satisfied that her utter disregard for the regulations regarding financial reporting and her avoidance of staff from the Registrar's office make her unsuitable for registration under the *Act*.

AND WHEREAS I AM OF THE OPINION that Smeeton would be disentitled to registration if she were an applicant under section 4 of the *Act*; that Smeeton is in breach of the *Act*, the regulations and a condition of registration; and that Smeeton has conducted or is conducting business in a manner that is prejudicial to the public interest, I make the following Orders:

B. ORDERS:

1. That the registration of Smeeton as a mortgage broker be cancelled pursuant to section 8(1) of the *Act*.
2. That Smeeton pay an administrative penalty of \$1,000.00 pursuant to section 8(1.1) of the *Act*.
3. That Smeeton not be considered for registration as a mortgage broker under the *Act* for a period of one year.

4. That Smeeton not be eligible for registration under the *Act* in any capacity until the administrative penalty referred to above is satisfied.

Dated at Surrey, British Columbia, this 24th day of October, 2006.



W. Alan Clark
Registrar of Mortgage Brokers
Province of British Columbia