



PRESS RELEASE



Canadian Mortgage News - National Archive 2000

Illegal Mortgage Broker Will Be Prosecuted

NORTH YORK, Ontario, April 25, 2000 — One of the highest fines (\$60,000) ever levied in a mortgage broker case should serve as a warning that anyone attempting to operate outside the rules by engaging in dishonest market conduct will face substantial personal and corporate fines, says Dina Palozzi, CEO and Superintendent of the Financial Services Commission of Ontario (FSCO).

Glasford Alexander, the director and administrator of both A.A.A. Financial Consulting Inc. and SSKB Financial Corporation was sentenced on April 4, 2000, for a conviction of carrying on the business of a mortgage broker while unlicensed.

A Toronto Provincial Court Judge fined each of the companies \$25,000 and Alexander was fined \$5,000 on each of the two counts. As well, Alexander was ordered to pay restitution totalling \$2,360 to three consumers and is not to be employed in any capacity of money lending or mortgage brokering for three years.

We want to be clear that anyone who operates as an illegal mortgage broker in Ontario will be prosecuted, said Palozzi. We have to protect the consumers of Ontario from individuals who use predatory practices to prey on vulnerable individuals and who knowingly operate outside the law. We urge consumers to check and make sure the person they are dealing with is licensed to operate as a mortgage broker in the province.

If consumers wish to confirm the registration of a particular mortgage broker, or have any complaints they can write to: Licensing and Enforcement Division, FSCO, 5160 Yonge Street, 4th Floor, Box 85, North York, M2N 6L9; by fax at (416) 226-7870, by E-mail to: LICENCES@fsc.gov.on.ca, or by phone (416) 226-7776.