

**REAL ESTATE COUNCIL OF ALBERTA**  
**NOTICE OF ADMINISTRATIVE PENALTY**

To: **Noel Simpson**  
**Former associate with Verico Mortgage Planning Centre Inc.**

In accordance with s. 39 and s. 83 and the Bylaws of the *Real Estate Act*, R.S.A. 2000 c. R-5 (the “**Act**”), the Executive Director of the Real Estate Council of Alberta has determined that there is sufficient evidence of conduct deserving of sanction in regard to you, Noel Simpson (hereinafter “**Mr. Simpson**”), at all relevant times, mortgage associate, registered with Verico Mortgage Planning Centre Inc. (hereafter “**Verico**”), to assess an Administrative Penalty. The evidence giving rise to the Executive Director’s decision is as follows:

In or around February, 2007, J.G. (the “borrower”) and WHD Property and Investments Ltd. (the “seller”) entered into a rent to own agreement for the purchase of a property located at 3011 32A Avenue SE, Calgary (the “property”). In or around March, 2007, Mr. Simpson began acting as a intermediary between the borrower and mortgage lender.

Mr. Simpson was involved in arranging three mortgages for the borrower in relation to the purchase of the property. T.L., a mortgage associate and part owner of Verico, instructed Mr. Simpson not to proceed with this file as the second mortgage rate exceeded 100%. Mr. Simpson also spoke with C.O., an experienced mortgage associate and part-owner of Verico, who also advised Mr. Simpson of the same issues relating to the interest rate of the second mortgage and instructed him not to proceed on the file. Mr. Simpson proceeded on the file, contrary to T.L. and C.O.’s instructions. Mr. Simpson did not advise his broker that he was proceeding on this file. His broker only became aware that Mr. Simpson had proceeded on the file after the brokerage received a finder’s fee for Mr. Simpson from the sellers.

The Executive Director is of the opinion that the above noted conduct is in violation of section 69(d) of the Rules made pursuant to the Act which sets out that:

- 69      A mortgage associate must:
- (d)      keep the broker informed of the activities being performed by the associate on behalf of the brokerage;

In accordance with s. 39 and s. 83 of the Act and Part 4 of the Act's Bylaws, an Administrative Penalty in the amount of **\$1,000.00** has been assessed against you for this contravention.

Payment of this Administrative Penalty shall be accepted by the Executive Director as complete satisfaction of the amount of the penalty and no further proceedings under Part 6 of the Act will be taken against you in respect of the contravention. A person who pays an Administrative Penalty may not be charged under the Act with an offense in respect of those contraventions.

This sum of **\$1,000.00** is payable to the Real Estate Council of Alberta within thirty (30) days of the date of issuance of this Notice of Administrative Penalty. If you fail to pay the amount set out in this Notice, the Executive Director may commence legal action against you to recover the amount owing in respect of the Administrative Penalty as a debt due to the Real Estate Council of Alberta.

If you dispute this Notice of Administrative Penalty in accordance with s. 83.1 of the Act, you may appeal it to a Hearing Panel. You will be given a full opportunity consistent with procedural fairness and natural justice to present evidence before the Hearing Panel and make representations in relation to the contravention.

If you have any questions in regard to this Notice of Administrative Penalty, please contact Victoria Woodworth-Lynas, Case Presenter, at the Real Estate Council of Alberta.

DATED this 21<sup>st</sup> day of July, 2010.

**REAL ESTATE COUNCIL OF ALBERTA**

Per: *Kirk Bacon for*  
Bob Myroniuk  
Executive Director

Cc: Marty Laframboise, Broker (prior)  
Verico Mortgage Planning Centre Inc.,