

**BULLETIN NUMBER:** MB 14-001  
**TITLE:** CEASE AND DESIST ORDER AGAINST  
NORTHSTONE INVESTMENT FUND  
**LEGISLATION:** MORTGAGE BROKERS ACT  
**DATE:** FEBRUARY 2014

---

The Registrar of Mortgage Brokers for the Province of British Columbia has issued a cease and desist order against Northstone Investment Fund Inc. (NSIF) for unregistered mortgage broker activity.

After an investigation by the Registrar of Mortgage Brokers, it has been determined that NSIF is holding itself out as a mortgage broker without being registered as required under the *Mortgage Brokers Act*.

The Registrar has also issued a suspension order to Gordon Stephen Lemon (Lemon), a registered submortgage broker for alleged misconduct. Lemon is a director of NSIF.

NSIF is being promoted as a key sponsor, and Lemon is a scheduled speaker at the “Investment Alternatives Conference” scheduled for February 15, 2014 in Vancouver.

Urgent cease and desist and suspension orders may be issued if the Registrar considers that there has been unregistered mortgage broker activity and/or ongoing misconduct. They can be appealed to Financial Services Tribunal.

In order to preserve the integrity of any hearing and any ongoing investigation, the Registrar and her Office will not make further comment while this matter is subject to regulatory action.

## QUICK FACTS

- The Registrar of Mortgage Brokers is responsible for registering entities and individuals as mortgage brokers and submortgage brokers under the [Mortgage Brokers Act](#).
- The Registrar also investigates complaints and imposes disciplinary sanctions under the Act.
- The Registrar protects the public from mortgage broker misconduct and enforces suitability requirements.

Media Contact:  
Jamie Edwardson  
Communications  
Director  
Ministry of Finance  
Ph. 250 356-2821

At the office of the Registrar of Mortgage Brokers, we issue information bulletins to provide technical interpretations and positions regarding certain provisions contained in the *Mortgage Brokers Act*, *Business Practices and Consumer Protection Act*, Regulations and other pertinent legislation. While the comments in a particular part of an information bulletin may relate to provisions of the law in force at the time they were made, these comments are not a substitute for the law. The reader should consider the comments in light of the relevant provisions of the law in force at the time, taking into account the effect of any relevant amendments to those provisions or relevant court decisions occurring after the date on which the comments were made. Subject to the above, an interpretation or position contained in an information bulletin generally applies as of the date on which it was published, unless otherwise specified.