

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

**CONNAUGHT MORTGAGE INVESTMENT CORPORATION
And
RICHARD BATEMAN ROMER
And
PERTTI JOHANNES AAKALA**

CONSENT ORDER

The following agreement has been reached between Richard Bateman Romer ("Romer") and the Registrar of Mortgage Brokers ("the Registrar"):

A. ORDERS:

Romer consents to, and the Registrar makes the following orders:

1. That Romer's registration as a submortgage broker is cancelled for life, and Romer agrees never to reapply for registration, pursuant to subsection 8(1) (e) of the *Mortgage Brokers Act* ("the Act").

B. FACTS AND ADMISSIONS:

As a basis for this Consent Order, Romer acknowledges the following facts as correct and makes the following admissions:

1. Connaught Mortgage Investment Corporation ("CMI") was registered as a company in the Province of British Columbia on June 1, 1995. The registered and records office of CMI is 700 - 595 Howe Street in Vancouver, British Columbia.
2. CMI was registered in British Columbia as a mortgage broker under the Act from November 30, 1995 to November 29, 2007. CMI is not currently registered as a mortgage broker under the Act.
3. Connaught Financial Corporation ("CFC") was registered as a company in the Province of British Columbia on June 1, 1995. The registered and

records office of CFC is 700 – 595 Howe Street in Vancouver, British Columbia.

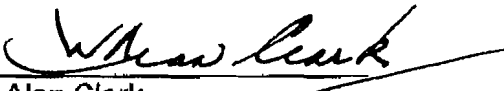
4. CFC has never been registered under the *Act*.
5. Romer is the current president and, at all material times, was one of two directors of CMI. Romer is the president and one of two directors of CFC.
6. Pertti Johannes Aakala ("Aakala") is the secretary and a director of CMI. Aakala is the secretary and the only other director of CFC. At all material times, Romer and Aakala were the only officers of both CMI and CFC.
7. Romer was registered in British Columbia as a submortgage broker under the *Act* with Reliant Capital Limited and had been since November 19, 2004, until he was temporarily suspended pursuant to the Registrar's order dated February 15, 2008. Romer was registered with CMI from November 30, 1999 to October 29, 2004.
8. Aakala was registered in British Columbia as a submortgage broker under the *Act* with CMI from January 13, 1999 to November 29, 2007. Aakala is not currently registered under the *Act*. Aakala is currently registered in British Columbia as an associate broker under the *Real Estate Services Act* with Sutton Group Langara Realty.
9. CMI sold shares of CMI to investors to raise money purportedly to invest in mortgages.
10. A review of the financial statements of CMI for the years 2001 to 2007 and the financial statements of CFC for the years 2006 and 2007 reveals that CMI loaned CFC a total of \$475,999.00.
11. CFC in turn advanced this money to Romer by way of loans, salary and/or dividend. Subsequently, in his capacity as president and director of CMI, Romer advised CMI's accountant that he was unable to pay amounts owing to CFC and that CFC in turn would be unable to repay its indebtedness to CMI. Based on this information, the accountant for CMI wrote off the account receivable from CFC.
12. Romer has not repaid this money either to CFC or to CMI and has stated that he has no current ability to do so.
13. Pertti Aakala loaned Romer \$75,000.00 personally on or about April 1, 2005. Romer repaid the \$75,000.00 personal loan using funds from CMI.
14. Romer is the controlling mind of CMI and CFC. Romer improperly transferred funds from CMI to CFC and from CFC to himself for his personal benefit. Romer improperly used CMI funds to repay a personal

loan. In so doing, Romer and CMI conducted business in a manner that was prejudicial to the public interest.

D. WAIVER:

Romer waives his right to a hearing under sections 4 and 8 of the Act and waives his right to appeal under section 9 of the Act.

Dated at Surrey, British Columbia, this 5th day of June, 2008.


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

Dated at Vancouver B.C., this 3rd day of June, 2008.


Richard Bateman Romer