



## BCSC alleges corporation made misrepresentations and false or misleading statements

2020/05  
January 21, 2020

**Vancouver** – The British Columbia Securities Commission (BCSC) [is alleging](#) that a Salmon Arm man and his mortgage investment corporation made misrepresentations and false or misleading statements in documents required to be filed under the *Securities Act*.

Donald Bergman was the sole director of All Canadian Investment Corporation (ACIC), which provided loans to owners and developers of residential and commercial real estate. The loans were secured by mortgages on those properties.

ACIC raised \$1.6 million from more than 50 investors between February 2014 and December 2015 through three offering memorandums that explained how the loans would be secured. An offering memorandum must contain specific information about an investment to help potential investors make a decision on whether to purchase the security.

The offering memorandums said the mortgages would be registered in the appropriate land title office, and were the first or second mortgage on the property. But ACIC cancelled some of the registrations, and some of its mortgage loans were secured by mortgages that ranked lower in priority than represented.

The BCSC alleges that Bergman and ACIC made false or misleading statements in the offering memorandums because some of the loans were not secured as promised. By doing so, the BCSC alleges that they also made misrepresentations to investors.

These allegations have not been proven. The commission will schedule a tentative hearing date in March.

### **About the British Columbia Securities Commission ( [www.bcsc.bc.ca](http://www.bcsc.bc.ca) )**

The British Columbia Securities Commission is the independent provincial government agency responsible for regulating capital markets in British Columbia through the administration of the Securities Act. Our mission is to protect and promote the public interest by fostering:

- A securities market that is fair and warrants public confidence
- A dynamic and competitive securities industry that provides investment opportunities and access to capital

Media Contact:  
Elise Palmer  
604-899-6830

Public inquiries:  
604-899-6854 or 1-800-373-6393 (toll free)  
[inquiries@bcsc.bc.ca](mailto:inquiries@bcsc.bc.ca)

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