

**IN THE MATTER OF THE *MORTGAGE BROKERS ACT*,  
RSBC 1996, c. 313 as amended**

**- AND -**

**IN THE MATTER OF PREM LATA DEVI SINGH**

**CONSENT ORDER**

**(Pursuant to sections 8 and 8 (1.2) of the *Mortgage Brokers Act*)**

**WHEREAS** Prem Lata Devi Singh ("Ms. Singh") was registered as a submortgage broker from October 14, 2010 to April 9, 2018;

**AND WHEREAS** the Registrar of Mortgage Brokers (the "Registrar") issued a Notice of Hearing to Ms. Singh on September 27, 2018;

**AND WHEREAS** the following agreement has been reached between Ms. Singh and the Staff of the Registrar (the "Staff");

**AND WHEREAS** the Registrar agrees to the following terms of a consent order:

**A. FINDINGS**

The Registrar makes the following findings against Ms. Singh, and Ms. Singh accepts the following findings made against her:

1. Ms. Singh conducted business in a manner prejudicial to the public interest contrary to section 8(1)(i) of the *Mortgage Brokers Act* (the "Act") in that she facilitated the unregistered mortgage broker activities of Vinita Lal ("VL") in respect of 13 mortgage applications by:
  - a. Permitting VL to direct the course of mortgage applications, including taking instructions from VL to input information on mortgage applications including employment and income information and other personal information;
  - b. Accepting personal information, employment information and supporting documents including Canada Revenue Agency ("CRA") documents from VL without verifying their accuracy or authenticity;
  - c. Submitting to lenders personal information, employment information and supporting documents including CRA documents as provided by VL when she knew or ought to have known that the documents were not genuine, and the personal and employment information was false; and

- d. Continuing to facilitate VL's unregistered mortgage broker activity and submitting mortgage applications to lenders based on information received from VL even after being warned by a lender that Ms. Singh should check her referral sources due to suspicious activity on her files.
2. Ms. Singh further conducted business in a manner prejudicial to the public interest contrary to section 8(1)(i) of the *Act* in that she,
  - a. in respect of 9 files, submitted misleading information, including altered CRA documents, to lenders in support of mortgage applications when she knew or ought to have known the documents were altered and therefore did not represent the true income of the borrower; and
  - b. in respect of 51 additional files, failed to take sufficient or any steps to verify the accuracy of income information in applications she submitted to lenders.

## **B. ORDERS AND PENALTY**

Pursuant to sections 8, 4, and 6(9) of the *Act*, Ms. Singh hereby consents to and the Registrar hereby makes the following orders:

1. Ms. Singh is not eligible to apply, and agrees never to re-apply for registration under the *Act* as either a mortgage broker or a submortgage broker, and the Registrar will not accept an application for registration by Ms. Singh under the *Act*;
2. Pursuant to section 6(9) of the *Act* Ms. Singh will pay partial investigative costs of \$20,000; and
3. All payments will be made by cheque, bank draft or money order payable to the BC Financial Services Authority and all amounts outstanding thirty (30) days following execution of this Order will represent a debt owing and be subject to interest pursuant to the *Financial Administration Act*, R.S.B.C. 1996, c. 138.

## **C. AGREED FACTS**

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

1. Ms. Singh was registered as a submortgage broker pursuant to the *Act* from October 14, 2010 to April 9, 2018. At the times material to this consent order, Ms. Singh was registered with 0815778 B.C. LTD. dba Dominion Lending Centres Leading Edge ("DLC").
2. Ms. Singh accepted at least 60 mortgage application referrals from VL from about 2012 to 2014 (the "VL Applications"). During that period, the vast majority of Ms. Singh's mortgage business came from VL.
3. VL has never been registered as a mortgage broker or submortgage broker under the *Act*, and Ms. Singh knew that VL was not registered under the *Act*.

4. For most of the VL Applications, VL sent the borrowers' documentation in support of the mortgage applications to Ms. Singh directly, either by fax or by email. Ms. Singh did not verify the accuracy or authenticity of the personal information, employment information or supporting documents including CRA documents.
5. Ms. Singh facilitated the unregistered mortgage broker activities of VL for at least 13 of the VL Applications. Ms. Singh permitted VL to meet with borrowers and collect and review personal and financial information. Ms. Singh accepted instructions from VL on what information to input into the mortgage applications.
6. Ms. Singh submitted at least 9 mortgage applications to lenders that contained misleading income information and altered tax documents, all of which were VL Applications. In each case,
  - a. the mortgage application stated the borrower was self-employed;
  - b. the borrower's true income was significantly overstated on the mortgage application by \$23,000 to \$71,000, the overstated income being equal to or greater than 500% of the borrower's true income in many cases; and
  - c. the borrower's overstated income was supported by tax documents that Ms. Singh knew or ought to have known were altered.
7. The income information provided by VL and the borrowers VL referred to Ms. Singh was provided under suspicious circumstances, and Ms. Singh failed to follow up on obvious red flags or take reasonable steps to verify the accuracy of the income information in the circumstances.
8. In November 2012, Ms. Singh submitted a mortgage application for borrower [REDACTED] ("Borrower A") to [REDACTED] ("Lender 1"). Lender 1 requested Ms. Singh to have Borrower A sign a "Release of Personal Tax Information" form, allowing the lender to obtain Borrower A's income information directly from the CRA ("CRA release form"). Ms. Singh emailed VL requesting that Borrower A sign the CRA release form; Borrower A did not sign the form and the deal was not completed.
9. In December 2012, Lender 1 requested Ms. Singh to have borrower [REDACTED] ("Borrower B") sign a CRA release form. When Borrower B refused to sign the CRA release form, Ms. Singh created a new mortgage application in Filogix and sent it to two other lenders, both of whom declined the deal. Borrower B still refused to sign the CRA release form and walked away from the deal.
10. In December 2012, Lender 1 contacted Ms. Singh about borrower [REDACTED] ("Borrower C"), stating that Lender 1 was cancelling Borrower C's application and would not be proceeding further. Lender 1 urged Ms. Singh to check her referral sources as Lender 1 did not want a repeat of clients walking away from mortgage applications after being requested to sign a CRA release form. Ms. Singh subsequently sent the same application, containing the same income information, to another lender.
11. The mortgage applications of Borrowers A, B and C were all VL Applications.

12. After the warnings from Lender 1, Ms. Singh stopped sending mortgage applications to Lender 1; however, Ms. Singh continued to accept referrals and documents from VL, and submitted a further 41 VL Applications to other lenders. Ms. Singh failed to conduct sufficient due diligence on the income information related to these files, resulting in her submission of further misleading information to lenders.


**Other Factors**

13. Ms. Singh has no discipline history with the Registrar of Mortgage Brokers.


**D. WAIVER**

14. Ms. Singh waives her right to a hearing under sections 4 and 8 of the Act and waives her right to appeal under section 9 of the Act.

Approved as to form and content by:


 this 14<sup>th</sup> day of October, 2021

Paul Sekhon  
Legal Counsel for Prem Lata Devi Singh

 this 20<sup>th</sup> day of October, 2021

Fernando de Lima / Andrea K. Glen  
Legal Counsel for the Staff of the  
Registrar of Mortgage Brokers

Issued this 25<sup>th</sup> day of October, 2021, at Vancouver, British Columbia.

  
Cheryl Vickers, Designate of the Registrar of Mortgage Brokers