

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

- AND -

IN THE MATTER OF VINITA DEVI LAL

CONSENT ORDER

(Pursuant to sections 8 and 8 (1.4) of the *Mortgage Brokers Act*)

WHEREAS Vinita Devi Lal ("Ms. Lal") has never been registered as a mortgage broker or submortgage broker under the *Mortgage Brokers Act*, RSBC 1996, c. 313 (the "Act");

AND WHEREAS the Registrar of Mortgage Brokers (the "Registrar") issued a Notice of Hearing pursuant to sections 8 and 8(1.4) to Ms. Lal on October 5th, 2018;

AND WHEREAS the following agreement has been reached between Ms. Lal 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. Lal and Ms. Lal accepts the following findings made against her:

1. Ms. Lal carried on business as a mortgage broker or submortgage broker without being registered to do so as required by sections 8(1.4) and 21 of the Act, and without being exempted from registration pursuant to section 11 of the Act, by:
 - a. Directing the course of mortgage applications on behalf of 27 borrowers (collectively, the "Borrowers") including giving instructions or directions to registered submortgage brokers Prem Lata Devi Singh and Ricky Kanwal (collectively, the "Registrants") regarding the appropriate lender to submit a mortgage application to, the employment and income information required of Borrowers, the merits of mortgage applications, Borrower qualifications, or providing the personal information of Borrowers to the Registrants;

- b. Conducting one or more of the following activities on behalf of any one or more of the Borrowers:
- i. Collecting personal information of the Borrowers and forwarding that information to one or more of the Registrants;
 - ii. Providing one or more of the Registrants with the Borrower's employment information and supporting documents, including T1 General Income Tax Returns and Canada Revenue Agency Notices of Assessment, many of which were not genuine;
 - iii. Acting as a liaison between one or more of the Registrants and the Borrowers, and referring Borrowers to a Registrant;
 - iv. Vetting Borrower's qualifications for mortgages;
 - v. Accepting fees from one or more of the Registrants or any of the Borrowers for arranging mortgages on behalf of the Borrowers; and
- c. Collecting the income documents and personal information of other potential borrowers and forwarding those documents and information to Anil Kumar Singh, a registered submortgage broker.

B. ORDERS AND PENALTY

Pursuant to sections 8, 8(1.4), and 6(9) of the Act, Ms. Lal hereby consents to and the Registrar hereby makes the following orders:

1. Ms. Lal must immediately cease acting as a mortgage broker or submortgage broker as that term is defined in the Act;
2. Pursuant to section 8(1.4) of the Act, Ms. Lal shall pay an administrative penalty of \$45,000.00;
3. Pursuant to section 6(9) of the Act, Ms. Lal shall pay partial investigation costs in the amount of \$25,000.00; and
4. 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. Lal acknowledges the following facts as correct and makes the following admissions:

1. Ms. Lal has never been registered as a mortgage broker or submortgage broker under the Act.
2. Between January 2012 and October 2016 Ms. Lal conducted business as a mortgage broker or submortgage broker without being registered to do so, and without being exempted from registration, by arranging mortgages for 27 borrowers in collaboration with Prem Lata Devi Singh ("Ms. Singh") and Ricky Kanwal ("Mr. Kanwal"), who at all material times were registrants under the Act.
3. Ms. Lal dealt directly with the borrowers, advised the borrowers what information and documents were required for their mortgage applications, collected the borrowers' information and documents and forwarded the information and documents to Mr. Kanwal or Ms. Singh.
4. Ms. Lal accepted more than \$1,000 in commissions from Mr. Kanwal for her unregistered mortgage broker activities.
5. In addition, Ms. Lal referred numerous borrowers to Anil Kumar Singh ("Mr. Singh") and provided him with borrowers' documents and financial information in 2012 and 2013. Mr. Singh was a registrant under the Act at all material times.
6. Ms. Lal provided Mr. Kanwal with information and documents that she knew were false and not genuine in at least one mortgage application that was submitted to a lender. Ms. Lal provided Ms. Singh, Mr. Kanwal and Mr. Singh with information and documents that she ought to have known were false and not genuine in at least 29 further mortgage applications, all of which were ultimately submitted to lenders.
7. The false documents described above included Canada Revenue Agency ("CRA") documents that inflated the borrower's annual income by up to \$95,000, or up to five times the borrower's true income. Many of the CRA documents listed a tax preparer that did not in fact prepare the borrower's taxes.
8. In several cases, Ms. Lal provided different versions of the same document to Mr. Kanwal. For example, in one file Ms. Lal provided Mr. Kanwal with two different versions of a borrower's 2014 Notice of Assessment – one version stated the borrower's income to be \$12,000 and the other \$77,551; only the latter was provided to a lender. In another file, Ms. Lal provided three different versions of a borrower's CRA documents to Mr. Kanwal, each of which stated a different income amount. The two versions showing the higher income amounts were submitted to lenders.

D. WAIVER


1. Ms. Lal 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 8th day of November, 2021

Ermina Talic

Legal Counsel for Vinita Devi Lal

 this 15th day of November, 2021

Andrea K. Glen / Fernando de Lima

Legal Counsel for the Staff of the
Registrar of Mortgage Brokers

Issued this 16th day of November, 2021, at Vancouver, British Columbia.



Cheryl Vickers, Designate of the Registrar of Mortgage Brokers