

THE BC FINANCIAL SERVICES AUTHORITY

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

- AND -

IN THE MATTER OF DONNA CATALINA BACIU

CONSENT ORDER

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

[This Order has been redacted before publication.]

WHEREAS Donna Catalina Baciú (“Ms. Baciú”) was registered as a submortgage broker from December 22, 2016 to December 21, 2020;

AND WHEREAS the Registrar of Mortgage Brokers (“Registrar”) issued a Notice of Hearing to Ms. Baciú on November 29, 2019;

AND WHEREAS the following agreement has been reached between Ms. Baciú and the staff of the Registrar (“Staff”);

AND WHEREAS the Registrar agrees to the following terms of a consent order (the “Consent Order”):

A. FINDINGS

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

1. In her capacity as a submortgage broker, Ms. Baciú conducted business in a manner that is prejudicial to the public interest, contrary to section 8(1)(i) of the *Mortgage Brokers Act* (“MBA”), in that she facilitated the unregistered mortgage broker activities of [Broker 1] (“[Broker 1]”) and [Brokerage 1] (“[Brokerage 1]”), when she carried out one or more of the following:
 - (a) Permitted [Broker 1] to direct the course of mortgage applications, including taking instructions from [Broker 1] to input information on mortgage applications, including employment, income, and other personal information of the borrowers provided by [Broker 1], despite receiving an Industry Alert dated January 15, 2018 indicating that on December 22, 2017, the Registrar of Mortgage Brokers had issued a Cease and Desist Order relating to the unregistered mortgage activity of [Broker 1] and [Brokerage 1];

- (b) Accepted borrowers' personal, employment, financial information, and supporting documents as provided by [Broker 1] without contacting borrowers to verify, or otherwise verifying, the accuracy or authenticity of the documents and information provided;
- (c) Submitted borrowers' personal, employment, and financial information, and supporting documents as provided by [Broker 1] to lenders in support of mortgage applications;
- (d) Paid, or permitted [Broker 1] or [Brokerage 1] to be paid, amounts in excess of \$1,000 during any one year for arranging mortgages; and
- (e) Some or all of the above activities were carried out for one or more of at least nine (9) mortgage applications in respect of at least sixteen (16) borrowers.

B. ORDERS AND PENALTY

Pursuant to sections 4, 6(9), and 8(1.2) of the MBA, Ms. Baciú hereby consents to, and the Registrar hereby makes, the following orders:

1. Ms. Baciú is not eligible to apply and agrees to not apply for registration under the MBA as either a mortgage broker or a submortgage broker, and the Registrar will not accept an application for registration by Ms. Baciú under the MBA, for a period of 36 months from the date of this Order.
2. Ms. Baciú pay investigative costs of \$4,728.90.
3. Ms. Baciú (currently unregistered) is not eligible to re-apply for registration as a mortgage broker or submortgage broker (as set out above in paragraph B. 1) unless or until she pays the investigation costs.
4. Upon re-instatement of Ms. Baciú's license, Ms. Baciú must, for a period of twelve (12) months ("Supervision Period"), be under the direct supervision of the Designated Individual ("DI") or a registered submortgage broker appointed by the DI of the brokerage to which Ms. Baciú is registered as a submortgage broker to be her supervisor, and who is satisfactory to the Registrar.
5. For the Supervision Period, the DI or supervisor must review and sign-off on all mortgage transactions that Ms. Baciú is directly or indirectly involved with.
6. All amounts are immediately due and payable, and all payments must be made by cheque, bank draft or money order payable to the BC Financial Services Authority. This order may be filed with the court pursuant to the MBA, and steps to enforce this order may be taken if payment is not made in full within 30 calendar days.

C. AGREED FACTS

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

1. [Broker 1] was initially registered as a submortgage broker on October 5, 2004.

2. [Brokerage 1] was registered as a mortgage broker on December 20, 2010.
3. On October 27, 2011, [Broker 1] became the DI for [Brokerage 1].
4. On October 4, 2016, [Broker 1]'s registration expired.
5. On December 19, 2016 [Brokerage 1]'s registration expired.
6. Ms. Baciu was initially registered as a submortgage broker on June 11, 2004.
7. From December 22, 2016 until February 8, 2017, Ms. Baciu was registered as a submortgage broker with [Brokerage 1].
8. On February 9, 2017, Ms. Baciu was registered as a submortgage broker with [Brokerage 2] ("[Brokerage 2]").
9. On December 22, 2017, the Registrar issued a Cease and Desist Order ("Order") against [Broker 1] and [Brokerage 1], which Order stated that [Broker 1] was holding himself out and carrying on business as a mortgage broker or submortgage broker even though he was not registered to do so.
10. On January 15, 2018, the Registrar published an Industry Alert to all registered mortgage brokers and submortgage brokers advising them of the Order.
11. Ms. Baciu acknowledges that she received the Industry Alert, but admits that she, nevertheless, did not read it.
12. Ms. Baciu admits that, beginning in or around December 2018 and January 2019, while she was employed at [Brokerage 2], she facilitated [Broker 1]'s unregistered submortgage broker activities in respect of nine mortgage applications.
13. Ms. Baciu states that she did not think that [Broker 1] needed to be registered as he was working for her as an unlicensed assistant.
14. Ms. Baciu admits that [Broker 1] referred the nine sets of borrowers to her for which she facilitated his unregistered submortgage broker activities.
15. Ms. Baciu admits that [Broker 1] had direct contact with the borrowers on all the transactions, and that [Broker 1] accepted mortgage applications from the borrowers; and, thereafter provided instructions to her as to the financial information, qualifications and personal information of the borrowers for each transaction.
16. [Broker 1] met with each of the borrowers to execute the requisite closing documents (e.g. Form 10 – Conflict of Interest Disclosure Statement; Cost of Credit Disclosure).

17. Ms. Baciu admits that [Broker 1] provided her with the borrowers' financial information and personal documentation which she did not verify for its the accuracy or its authenticity; and thereafter, she submitted that information to lenders in support of the borrowers' mortgage applications.
18. None of the documents provided to the lenders were inaccurate or falsified.
19. Ms. Baciu stated that [Broker 1] contacted the notary on one mortgage file and received commission directly from that notary for the transaction.
20. Ms. Baciu admitted that she received a commission for each of the mortgages she facilitated for [Broker 1].
21. Ms. Baciu received commissions of at least \$33,916.32 for the mortgage applications she facilitated for [Broker 1].
22. Ms. Baciu admits that [Broker 1] received an in-kind payment of \$500 for each of the nine mortgage applications he referred to her. The in-kind payment consisted of a \$500 reduction in amounts owed to Ms. Baciu from [Broker 1].
23. Ms. Baciu acknowledged and accepted responsibility for her misconduct.
24. Ms. Baciu has no prior history of discipline with the Registrar.

D. ACKNOWLEDGEMENTS AND WAIVER OF APPEAL RIGHT

1. Ms. Baciu waives her right to a hearing under section 8(1) of the MBA and waives her right to appeal under section 9 of the MBA.

Approved as to form and content by:

"DONNA CATALINA BACIU" this 17 day of Nov, 2022.

Donna Catalina Baciu

"AMANDEEP SANDHU" this 18th day of November, 2022.

Amandeep K. Sandhu
Legal Counsel for Staff of the
Registrar of Mortgage Brokers

Issued this 24th day of November, 2022, at Vancouver, British Columbia.

"JONATHAN VANDALL"

Jonathan Vandall, Acting Registrar of Mortgage Brokers
Province of British Columbia