

BC FINANCIAL SERVICES AUTHORITY

**IN THE MATTER OF THE *REAL ESTATE SERVICES ACT*,
SBC 2004, c 42 as amended**

AND

IN THE MATTER OF

**QUAY PACIFIC PROPERTY MANAGEMENT LTD.
(X026545)**

NOTICE OF ADMINISTRATIVE PENALTIES

[This Notice has been redacted before publication.]

The Superintendent of Real Estate (the “Superintendent”) of the BC Financial Services Authority (“BCFSA”) provides this Notice of Administrative Penalties (the “Notice”) pursuant to sections 57(1) and (3) of the *Real Estate Services Act*, SBC 2004, c 42 (“RESA”).

TAKE NOTICE the Superintendent is satisfied that you have contravened one or more rules designated as subject to administrative penalties under section 56(1)(a) of the RESA and section 26 of the *Real Estate Services Rules* (the “Rules”), collectively, the “Designated Rules”.

TAKE NOTICE the Superintendent is imposing the following administrative penalties based on your having contravened the Designated Rules;

1. Rule: 79; First contravention: Yes; Penalty: \$1,000;

Details: During a brokerage audit that commenced in February 2024, it was determined that:

- for November 2023 to February 2024, discrepancies existed between the trust assets and trust liabilities for the rental and security deposit trust accounts
- several outstanding deposits appeared on the rental and security deposit trust account reconciliations that were not resolved in a timely manner; and,
- unidentified adjustments were made to the rental trust account trust liability listings for several months, contrary to section 79 of the Rules.

2. Rule: 80; First contravention: Yes; Penalty: \$1,000;

Details: During a brokerage audit that commenced in February 2024, it was observed that for November 2023 to February 2024 the rental and security deposit trust account bank reconciliations were prepared beyond 5 weeks (35 days) after the month end, contrary to section 80 of the Rules.

3. Rule: 81; First contravention: Yes; Penalty: \$1,000;

Details: During a brokerage audit that commenced in February 2024, it was observed that for November 2023 to February 2024, the rental trust account trust liability and trust asset reconciliations did not include a date of preparation. As such, the auditor could not determine if they were prepared within 5 weeks (35 days) after the month end. In addition, trust liability and trust asset reconciliations were not prepared for the security deposit trust account, contrary to section 81 of the Rules.

(collectively, the “Contraventions”).

Total administrative penalties: \$3,000

TAKE FURTHER NOTICE you may respond to this Notice by requesting an opportunity to be heard as follows (a “Reconsideration Request”):

- a. *Time limit:* You must deliver any Reconsideration Request so that BCFSa receives it within thirty (30) calendar days of the date you received this Notice (the “Response Deadline”).
- b. *Format:* A Reconsideration Request Form must be completed.
- c. *Content:* A Reconsideration Request should explain how you exercised due diligence to prevent contravention of the Designated Rules. You may also provide any other information you believe the Superintendent should consider.
- d. *Delivery:* A Reconsideration Request may be delivered by email to APreconsiderations@bcfsa.ca and/or delivered to BCFSa's offices at 600-750 West Pender Street, Vancouver, BC V6C 2T8, Attention: Legal Services – Reconsiderations.

The date you received this Notice is the earliest date on which

- the Superintendent personally served you with the Notice (s 57(3)(a) or (b) of the RESA);
- the Superintendent provided “substituted service” by a method provided for in a court order (s 12 of the RESA); or
- the Superintendent provided this Notice to Canada Post for delivery to your mailing address (ss18 and 19 of the Rules). This will normally also be the day it was emailed to you.

If BCFSa receives your Reconsideration Request by the Response Deadline, the Superintendent will consider your Reconsideration Request, and may cancel or confirm each of the administrative penalties. If BCFSa confirms an administrative penalty, payment is due immediately.

TAKE FUTHER NOTICE if you fail to deliver a Reconsideration Request by the Response Deadline, you are deemed to acknowledge your having contravened the specified Designated Rules (s 57(2)(d) of the RESA).

TAKE FURTHER NOTICE that unless you deliver a Reconsideration Request by the Response Deadline, you must pay the administrative penalties within thirty (30) calendar days of the date you received this Notice. The Reconsideration Request may be by email or otherwise in writing, and should attach or include information respecting the due diligence exercised to avoid the contravention, any extenuating circumstances that prevented compliance, and any other information that you wish BCFSA to consider.

Dated this 22nd day of October, 2024 at the City of Vancouver, British Columbia.

Superintendent of the BC Financial Services Authority

“Original signed by Lisa Holst”

Per: Lisa H. Holst, CPA, CA
Delegate of the Superintendent of Real Estate
Province of British Columbia