

**BC FINANCIAL SERVICES AUTHORITY**

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

**- AND -**

**IN THE MATTER OF KSENIA IVANOVA**

**CONSENT ORDER**

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

**[This Order has been redacted before publication.]**

**WHEREAS** Ksenia Ivanova (“Ms. Ivanova”) was at all material times registered as a submortgage broker under the *Mortgage Brokers Act*, RSBC 1996, c 313 (“MBA”);

**AND WHEREAS** the Registrar of Mortgage Brokers (“Registrar”) issued a Notice of Hearing to Ms. Ivanova on January 27, 2021 (“Notice of Hearing”);

**AND WHEREAS** the Registrar issued an Amended Notice of Hearing to Ms. Ivanova on June 10, 2022 (“ANO”);

**AND WHEREAS** the following agreement has been reached between Ms. Ivanova and the Staff of the Registrar (“Staff”), and the Registrar agrees to the following terms of a Consent Order:

**A. FINDINGS**

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

1. Contrary to section 8(1)(i) of the *Mortgage Brokers Act*, RSBC 1996, c. 313, as amended (“MBA”), while registered as a submortgage broker, Ms. Ivanova conducted mortgage business in British Columbia in a manner prejudicial to the public interest by facilitating the unregistered mortgage broker activities of Jay Kanth Chaudhary (“Mr. Chaudhary”), also known as George Dsena, from approximately January 2018 to April 2019, in respect of one or more of 11 mortgage applications, by carrying out the following:
  - a. Failed to meet, receive information from, or take instructions from the borrowers herself, and instead permitted Mr. Chaudhary to do so;

- b. Accepted the personal information of borrowers from Mr. Chaudhary for the purposes of obtaining mortgage financing on their behalf;
  - c. Obtained documents and information including Notices of Assessments, T1 General Income Tax and Benefit returns, confirmation of employment letters, and paystubs (together "Supporting Documents") from Mr. Chaudhary to support the borrowers' mortgage applications;
  - d. Allowed Mr. Chaudhary access to her Filogix credentials; and
  - e. Paid Mr. Chaudhary remuneration in excess of \$1,000 during any one year for arranging mortgages.
2. Contrary to section 8(1)(i) of the MBA, while registered as a submortgage broker, Ms. Ivanova conducted mortgage business in British Columbia in a manner prejudicial to the public interest, when she:
- a. Submitted misleading borrower income information in respect of 11 mortgage applications, by submitting the following to lenders when she knew or ought to have known that the documents and information were not genuine:
    - i. altered documents, including Canada Revenue Agency documents, income tax returns, and letters of employment or paystubs (together "Altered Documents"); or
    - ii. misleading income information based on the Altered Documents; and
  - b. Failed to conduct proper due diligence including failing to take sufficient, or any, steps to verify the accuracy of the Altered Documents or other income information she submitted to lenders in respect of 11 mortgage applications.

## **B. ORDERS AND PENALTY**

Pursuant to section 8(1.2) of the MBA, Ms. Ivanova hereby consents to and the Registrar hereby makes the following orders:

- 1. Ms. Ivanova (currently unregistered), is not eligible to apply and agrees to not re-apply for registration under the MBA, either as a mortgage broker or a submortgage broker, and acknowledges that the Registrar will not accept an application for registration by Ms. Ivanova under the MBA, for a period of 10 years from the date this Consent Order is signed;
- 2. Pursuant to section 8(1.2) of the MBA, Ms. Ivanova pay an administrative penalty of \$35,000;
- 3. Pursuant to section 6(9) of the MBA, Ms. Ivanova pay investigation costs in the amount of \$19,958.64;
- 4. Should Ms. Ivanova apply for registration either as a mortgage broker or submortgage broker and her application is approved by the Registrar, her registration is restricted as follows:
  - a. For a period of 2 years, Ms. Ivanova must be under the direct supervision of the Designated Individual ("DI") or a registered sub-mortgage broker appointed by the DI of the brokerage to which Ms. Ivanova is registered as a sub-mortgage broker to be her supervisor ("Supervisor"), and who is satisfactory to the Registrar; and
  - b. For a period of 2 years, the DI or Supervisor must review and sign-off on all mortgage transactions involving Ms. Ivanova, including any mortgage transactions that Ms. Ivanova is indirectly involved with.

5. 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 thirty (30) calendar days.

### **C. AGREED FACTS**

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

#### **Background**

1. Ms. Ivanova first became been a registered submortgage broker on May 21, 2015, and her registration terminated on June 10, 2020.
2. Ms. Ivanova was registered as a submortgage broker from March 27, 2017 to March 4, 2019 with Bayfield Mortgage Professionals Ltd., and subsequently with 0952130 BC Ltd. dba Dominion Lending Centers – A Better Way from March 6, 2019 to December 6, 2019.
3. On May 23, 2019, Staff executed an Order to Enter at premises occupied by Mr. Chaudhary. Staff seized nine mortgage files that were submitted to lenders under Ms. Ivanova's name. In addition, Staff seized a post-it note that had Ms. Ivanova's Filogix user ID and Password.
4. Filogix is a web-based software platform used by many mortgage brokers for the submission of mortgage applications and supporting documents to a network of lenders.
5. Staff also reviewed two other mortgage files submitted to lenders under Ms. Ivanova's name.
6. On May 23, 2019, a Cease and Desist Order ("Cease and Desist") was issued against Mr. Chaudhary.

#### **Facts**

7. From approximately January 2018 to April 2019, Ms. Ivanova received mortgage files from Mr. Chaudhary, whom she knew as George Dsena ("Mr. Dsena").
8. Ms. Ivanova did not meet most of the borrowers, she did not receive information directly from the borrowers, nor did she take instructions from the borrowers regarding the mortgage applications. Out of the 11 mortgage files reviewed, Ms. Ivanova only met with one of the borrowers.
9. Ms. Ivanova accepted the personal and financial information of most of the borrowers from Mr. Chaudhary.
10. In the 11 mortgage applications reviewed by Staff, Ms. Ivanova submitted applications to lenders that overstated borrowers' income by doing at least one or a combination of the following on each application:
  - a. Submitted inflated income information to lenders;
  - b. Submitted altered Notices of Assessment;
  - c. Submitted altered General Income Tax Returns;
  - d. Submitted General Income Tax Returns that stated the names of tax preparers who confirmed that they did not, in fact, prepare those returns and in some cases, did not have the borrower as a client at all;

- e. Submitted altered letters of employment and altered paystubs; and
  - f. Submitted incorrect employment information on mortgage applications.
11. The amount by which the borrowers' annual income was overstated in the mortgage applications, as supported by altered financial and income documents, was significant. For example, in one instance the borrower's income information was inflated by approximately \$298,000 for in one year, and by just over \$254,000 in another year. In another application, the borrower's annual income was overstated by approximately \$100,957 in one year and by approximately \$73,012 the following year.
  12. Ms. Ivanova initially stated that she received a fair amount of business from Mr. Chaudhary, whom she described as a financial advisor or an accountant, and she looked to him as a mentor.
  13. In early 2019, the manager of Ms. Ivanova's brokerage advised her to stop taking referrals from Mr. Chaudhary, that the brokerage would be auditing her files, and she was advised to conduct more due diligence on her files. Despite this Ms. Ivanova continued to accept referrals from Mr. Chaudhary. Ms. Ivanova decided to leave that brokerage and joined a new one.
  14. Ms. Ivanova acknowledges that Mr. Chaudhary was not only referring her business, but was also providing her with all the information and supporting documents for each file that he provided to her. Ms. Ivanova did not question any of the information or supporting documents Mr. Chaudhary provided to her and simply submitted the information and documents to the lenders. Ms. Ivanova did not conduct sufficient, or any, due diligence.
  15. Ms. Ivanova paid Mr. Chaudhary a commission of usually 20% of her net commission, and Ms. Ivanova only paid Mr. Chaudhary in cash or gift cards.
  16. Ms. Ivanova stated that she did not recall sharing her Filogix credentials including her password with anyone, including Mr. Chaudhary. However, Ms. Ivanova's Filogix credentials and password information was found at Mr. Chaudhary's premises.
  17. Ms. Ivanova stated that she believed that Mr. Chaudhary was mentoring and helping her as she was a new mortgage broker. Ms. Ivanova stated that she did not know the documents she submitted to lenders or provided in support of mortgage applications received from Mr. Chaudhary were not genuine. Ms. Ivanova stated that it was not until the Cease and Desist Order against Mr. Chaudhary was issued that she realized that Mr. Dsena was, in fact, Mr. Chaudhary. Ms. Ivanova now believes that she was fooled and manipulated by Mr. Chaudhary.
  18. Ms. Ivanova stated that she found it strange that Mr. Chaudhary was referring files to her when he had done most of the work, but states that she understood that he had too much work and was too busy to handle the volume of work himself. However, Ms. Ivanova did not question the circumstances because she did not want to damage the relationship with Mr. Chaudhary, as her income was dependent on his referrals.
  19. Despite earlier warnings about working with Mr. Chaudhary from her employer, it was not until the Cease and Desist Order was issued to Mr. Chaudhary that she stopped working with Mr. Chaudhary, whom she had known as Mr. Dsena but now knew to be Mr. Chaudhary.

**D. WAIVER**

Ms. Ivanova waives her right to a hearing under sections 4 and 8 of the MBA and waives her right to appeal under section 9 of the MBA.

Approved as to form and content by:

“KSENIA IVANOVA”

\_\_\_\_\_ this 7 day of October 2022.

Ksenia Ivanova

“CATHERINE DAVIES”

\_\_\_\_\_ this 17th day of October 2022.

Catherine Davies  
Legal Counsel for the Staff of the  
Registrar of Mortgage Brokers

Issued this 17th day of October 2022, at Vancouver, British Columbia.

“JONATHAN VANDALL”

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Jonathan Vandall  
Acting Registrar of Mortgage Brokers  
Province of British Columbia