

Citation: Panda Luxury Homes Ltd. (Panda Luxury Homes) (Re), 2025 BCSRE 53

Date: 2025-03-25

File #X035363

BC FINANCIAL SERVICES AUTHORITY

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

AND

IN THE MATTER OF

PANDA LUXURY HOMES LTD.
DBA PANDA LUXURY HOMES
(X035363)

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 Penalty (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: Section 73(3); First contravention: Yes; Penalty: \$2,500

Details: Negative balances were observed between January 2024 and September 2024 for the trading trust account and rental trust account, ranging from \$(147.00) to \$(49,711.25). There was no record of BCFSA being notified of any negative balances during this time, contrary to section 73(3) of the Rules.

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

Details:

- The August 2024 bank reconciliation for the rental trust account contained 18 uncleared withdrawal transactions totaling \$8,550.87 and nine uncleared deposit transactions totaling \$15,275.71, dated between February 14, 2024 and July 3, 2024.
 - The September 2024 trust liability and asset reconciliation ("TLAR") for the rental trust account contained a ledger in the name of the brokerage, which was intended to be used as a clearing account. As of September 30, 2024, the ledger balance was (\$439,495.32).
 - A GIC of \$400,000 was purchased by the brokerage with funds from the rental trust account and brokerage operating funds. There was no detailed breakdown of the amounts held on behalf of each owner or the amount of brokerage funds.
3. Rule: Section 80; First contravention: Yes; Penalty: \$1,000
- Details: From January 2024 to August 2024, several of the bank reconciliations for the trading services trust account, rental trust account and strata trust accounts were reconciled beyond 5 weeks after the month end. In addition, bank reconciliations for the general account were not prepared for the same period. These observations are contrary to section 80 of the Rules.
4. Rule: Section 81; First contravention: Yes; Penalty: \$1,000
- Details: From January 2024 to August 2024, TLARs for the trading service trust account and rental trust account were prepared beyond 5 weeks after the month end, contrary to section 81 of the Rules.

(collectively, the "Contraventions").

Total administrative penalties: \$5,500

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 (ss 18 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 FURTHER 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 25th day of March, 2025 at the City of Vancouver, British Columbia.

Superintendent of the BC Financial Services Authority

“Originally signed by Lisa H. Holst”

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