Citation: *Arora (Re)*, 2026 BCSRE 44
Date: 2026-02-03
File No. 21-2508

BC FINANCIAL SERVICES AUTHORITY

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

AND IN THE MATTER OF

INDERJIT ARORA
(159509)

AND

INDERJIT ARORA PERSONAL REAL ESTATE CORPORATION
(159509PC)

DECISION ON LIABILITY AND SANCTION

[This Decision has been redacted before publication.]

DATE AND PLACE OF HEARING:	October 1, 2025 and via written submissions
COUNSEL FOR BCFSA:	Laura Forseille
COUNSEL FOR RESPONDENT:	Lena Muratkina
HEARING OFFICER:	Andrew Pendray

Introduction

1. On January 31, 2025, the BC Financial Services Authority ("**BCFSA**") issued, pursuant to section 40 of the *Real Estate Services Act*, RSBC 2004, c 42 ("**RESA**"), a notice of discipline hearing (the "**NODH**") to Inderjit Arora and Inderjit Arora Personal Real Estate Corporation ("**Arora PREC**").

2. The NODH alleges that Mr. Arora and Arora PREC committed professional misconduct within the meaning of section 35(1)(a) and (d) of RESA while acting as a buyer's agent in the purchase of a property at [Property 1], Surrey, BC (the "**Property**"), he failed to take reasonable steps to avoid a conflict of interest contrary to section 30(i) (formerly 3-3(i)) of the *Real Estate Services Rules*, BC Reg, 209/2021 (the "***Rules***")[1] when his [family member] provided a $50,000 bank draft for the deposit on the purchase of the Property and then he and his [family member] took an assignment of the contract of purchase and sale for the Property (the "**CPS**") from his buyer client. BCFSA also alleges that Mr. Arora failed to act with reasonable care and skill, contrary to section 34 (formerly 3-4) of the Rules when he completed the agency disclosure section of the assignment of the CPS to incorrectly indicate that he had no agency relationship with the buyer and indicated in the

[1] The *Real Estate Service Rules,* MO 417 have been amended and replaced by the *Real Estate Services Rules,* BC Reg, 209/2021. References in this decision to the *Rules* include references to sections as they read in the latter followed by parenthetical reference to concordant sections of the former.

Disclosure of Interest in Trade ("**DOIT**") form dated August 9, 2021 that he would not be receiving remuneration for the purchase of the Property. BCFSA further alleged that Mr. Arora failed to disclose the sources of his remuneration and failed to disclose to the seller that he was acquiring the Property as required by sections 56(2)(a) (formerly 5-11(2)(a)) and 53(1)(a) (formerly 5-9(1)) of the Rules, respectively.

3. On July 31, 2025, Mr. Arora agreed to an Agreed Statement of Facts and Proposed Findings of Misconduct (the "**ASF**"). In that document, Mr. Arora agreed to certain facts, referenced certain documents, and agreed to liability findings that he committed professional misconduct within the meaning of sections 35(1)(a) and (d) of RESA by contravening the Rules as alleged in the NODH.

4. The matter proceeded to a liability and sanction hearing on October 1, 2025, with closing arguments being provided via written submissions.

5. BCFSA seeks a discipline penalty against Mr. Arora in the amount of $100,000.00, as well as an order that he pay enforcement expenses.

Notice of Hearing

6. The NODH sets out the allegations made against Mr. Arora and Arora PREC as follows:

    1. You committed professional misconduct within the meaning of section 35(1)(a) and (d) of the RESA in that, while acting as a trading services representative for your buyer client in the purchase transaction for a property with the address [Property 1], Surrey, BC (the "Property"), you:

        a. Failed to take reasonable steps to avoid any conflict of interest, contrary to section 30(i) (formerly 3-3(i)) of the Rules, when:

            i. with your knowledge, your [family member] provided a bank draft of $50,000 on behalf of your buyer client for the second deposit in the purchase of the Property; and

            ii. you and your [family member] were assigned the contract of purchase and sale ("CPS") of the Property from your buyer client;

        b. You failed to act with reasonable care and skill, contrary to section 34 (formerly section 3-4) of the Rules, when you:

            i. incorrectly completed the agency disclosure section of the assignment of the CPS of the Property, indicating that you had no agency relationship with your buyer client and leaving the section uninitialed by both parties; and

            ii. indicated that you would not be receiving any remuneration for the purchase of the Property in the Disclosure of Interest in Trade form dated August 9, 2021;

        c. You failed to disclose to your buyer client the source of your remuneration in the Disclosure of Remuneration form dated January 30, 2021, contrary to section 56(2)(a) (formerly section 5-11(2)(a)) of the Rules; and

        d. You failed to disclose to the seller and owner of the Property that you would be acquiring the Property when the CPS was assigned to you on August 9, 2021, contrary to section 53(1)(a) (formerly section 5-9(1)) of the Rules.

7. Mr. Arora agreed to those findings of liability in the ASF. However, at the hearing of this matter, Mr. Arora indicated that he would like to resile from his agreement that his actions related to item 1(b)(ii) in fact constituted professional misconduct under sections 35(1)(a) or (d) of RESA. After hearing from the parties, I agreed to allow submissions on whether the allegation and admissions Mr. Arora had made with respect to item 1(b)(ii)) in fact constituted professional misconduct.

8. Having heard the submissions of the parties, I provided oral reasons finding that the allegations set out against Mr. Arora in the NODH had been proven, which oral reasons I will summarize below.

9. Having made findings of liability based on the ASF, the major issue in this proceeding therefore is what the appropriate sanction should be.

Issues

10. The issues before me are:

    a. whether BCFSA has proven the contraventions recited above;

    b. if so, what sanction should I order under section 43(2) of RESA; and

    c. whether Mr. Arora should be ordered to pay expenses under section 43(3)(2)(h) in this matter and, if so, in what amount.

Jurisdiction and Standard of Proof

11. Pursuant to section 2.1(3) of RESA, the Superintendent of Real Estate (the "**superintendent**") may delegate any of its powers in writing. The Hearing Officers of BCFSA's Hearings Department have been delegated the statutory powers and duties of the superintendent under sections 42 through 53 of RESA.

12. BCFSA must prove its case on the balance of probabilities. In other words, it must prove that it is more likely than not that the facts alleged occurred. To make a finding against the respondent, I must find that the evidence is "sufficiently, clear, convincing and cogent" to satisfy that standard: *FH v McDougall*, 2008 SCC 53.

13. Evidence is generally considered a matter of procedure: *Cambie Hotel (Nanaimo) Ltd v British Columbia (General Manager, Liquor Control and Licensing Branch)*, 2006 BCCA ("***Cambie Hotel***"), para 38. As an administrative tribunal the superintendent is not bound by the rules of evidence in the same way a court would be. In the absence of statutory provision to the contrary, the superintendent may consider any evidence it considers relevant, including hearsay evidence: *Adams v British Columbia (Superintendent of Motor Vehicles)*, 2019 BCCA 225.

14. Further, the fact that the legislation may provide for a formal structure for enforcement proceedings does not preclude hearsay evidence from being admitted at a hearing: *Cambie Hotel*, para 38. RESA has no provision that imports civil or criminal rules of evidence into the superintendent's administrative proceedings. The superintendent may, however, draw upon principles underlying court rules of evidence to exclude, assess, or weigh evidence.

15. The superintendent must also afford procedural fairness to a respondent where a decision may affect his or her rights, privileges or interests. This right includes a right to be heard. The superintendent affords every respondent an opportunity to respond to the case against him or her by providing advance notice of the issues and the evidence, and an opportunity to present evidence and argument. The superintendent must determine facts, and decide issues set out in the NODH, based on evidence. The superintendent may, however, apply its individual expertise and judgment to how it evaluates or assesses evidence.

Background

16. The evidence and information before me consists of the ASF and a number of tabs from a book of documents submitted into evidence by the parties.

17. Although I have reviewed all of the evidence, the below is not meant to be a complete recitation of all the facts and evidence tendered in this matter.

Regulatory History

18. Mr. Arora was first licensed as a representative in the trading services category on July 13, 2010. Inderjit Arora Personal Real Estate Corporation was first licensed on April 7, 2017, and has been licensed in the same fashion as Mr. Arora since. At all relevant times, Mr. Arora and Arora PREC were licensed with City 2 City Real Estate Services Inc.

19. Mr. Arora was previously disciplined by way of a consent order dated January 9, 2015. Mr. Arora consented to a seven-day suspension, an order for remedial education, and payment of $1,250 in enforcement expenses. In his consent order proposal, Mr. Arora admitted that he failed to verify that his client was authorized to act on behalf of a numbered company when he wrote an offer on behalf of the numbered company on his client's instructions. Mr. Arora's client was not authorized to instruct Mr. Arora to make that offer on behalf of the numbered company.

General Background

ASF

20. Mr. Arora was representing a client, [Buyer 1] ("**[Buyer 1]**"), in her prospective purchase of the Property in early 2021. The sellers of the Property were [Seller 1], [Seller 2], and [Seller 3] (collectively the "**Sellers**").

21. On January 30, 2021, Mr. Arora provided [Buyer 1] with a Disclosure of Remuneration form, which indicated that Mr. Arora anticipated receiving a commission of 1.5%. That form did not indicate the name of the individual or organization from whom Mr. Arora would be receiving that commission.

22. Mr. Arora also provided [Buyer 1] with a Disclosure of Representation in Trading Services form on January 30, 2021, which indicated that Mr. Arora was representing [Buyer 1] as a client.

23. Finally, on January 30, 2021, Mr. Arora provided a Notice to Seller Regarding Assignment Terms. Although the Sellers signed that document, they did not date it.

24. On February 2, 2021, the Sellers accepted the contract of purchase and sale offer (the "**CPS**") written by Mr. Arora on behalf of [Buyer 1], which had first been drafted on January 31, 2021. [Buyer 1] was listed as the buyer in the CPS, with Mr. Arora listed as her agent. The purchase price for the Property was set out as $1,800,000, with a first deposit of $150,000 payable by bank draft directly to the Sellers via [Buyer 1]'s lawyer, within 48 hours of subject removal. A second deposit was payable by June 2, 2021 by bank draft directly to the Sellers. The CPS gave the buyer the right to assign the CPS in whole or in part to any third party without further notice to the Sellers.

25. On February 5, 2021, [Buyer 1] provided the bank draft in the amount of $150,000 to her lawyer, which draft was then paid to the Sellers, completing the first deposit.

26. With respect to the second deposit, Mr. Arora's [family member], [Family Member 1], provided a bank draft dated June 2, 2021 for $50,000 (the "**Second Deposit**") to [Buyer 1]. [Buyer 1] brought that draft to Mr. Arora, who then delivered the draft directly to the Sellers on June 2, 2021, in order to complete the second deposit.

27. Mr. Arora informed BCFSA's Investigations department that this arrangement with the $50,000 bank draft had occurred in order to avoid a breach of the CPS on the part of [Buyer 1], as [Buyer 1] was unable to provide the Second Deposit due to her financing issues.

28. On August 9, 2021, Mr. Arora and [Buyer 1] each signed an assignment of the CPS (the "**Assignment**"), in which [Buyer 1] assigned the CPS to [Mr. Arora and Family Member 1] for $1. While section 4.18 of the assignment indicated "no agency" for either of [Buyer 1] or [Mr. Arora and Family Member 1], that section of the assignment form was not initialed.

29. Also on August 9, 2021, Mr. Arora completed a DOIT form, in which he indicated that the Property would be held for personal, rental or other use, and that no remuneration would be received. That form was signed by Mr. Arora, [Buyer 1], and [Managing Broker 1], Mr. Arora's managing broker.

30. Mr. Arora did not provide a DOIT form to the Sellers in association with the Assignment.

31. On September 10, 2021, Mr. Arora received a commission cheque of $28,035 for the purchase transaction of the Property from his brokerage. Mr. Arora and [Family Member 1] became the registered owners of the Property on September 22, 2021.

32. On November 24, 2021, [Seller 1] filed a complaint with BCFSA regarding Mr. Arora and [Licensee 1], his own selling agent. In his complaint [Seller 1] indicated that he noticed upon closing of the sale of the Property that the buyer was Mr. Arora. [Seller 1] indicated that he felt that this was a misrepresentation, and that Mr. Arora had received a full commission for acting as buyer's agent when he was in fact the buyer. [Seller 1] noted that the Property had only ever been viewed by Mr. Arora, not by [Buyer 1]. He indicated that this had concerned him, and that the fact that the Second Deposit had been brought to him by Mr. Arora, and paid for by [Family Member 1], had also concerned him.

33. BCFSA Investigations wrote to Mr. Arora on January 26, 2024, requesting a number of documents, as well as explanations as to the nature of his relationship with [Buyer 1] and the general nature of the transaction.

34. On February 7, 2024, Mr. Arora replied to BCFSA Investigations. In his response, Mr. Arora explained that the CPS had been assigned to him to prevent [Buyer 1] from losing her first deposit due to financing issues.

35. Subsequently, in a letter dated April 18, 2024, Mr. Arora advised BCFSA Investigations that [Buyer 1] and his [family member] were good friends, that [Buyer 1] had asked his [family member] for the $50,000, and that he had been aware that it could be a conflict of interest for his [family member] to provide the second deposit for the Property, but that he had delivered the draft in any event as it was due on that date and he did not want [Buyer 1] to forfeit her initial deposit.

36. Mr. Arora was interviewed by BCFSA Investigations on August 8, 2024. He advised at that time that he and his [family member] did not have a written agreement with [Buyer 1] regarding the repayment to her of the first deposit at the time of the assignment, and that they had agreed to make a bare trust agreement in the meantime. Mr. Arora further advised that the bare trust agreement had not been completed, and the current arrangement between [Mr. Arora and his family member] and [Buyer 1] was based on their "trust relationship". Mr. Arora further indicated that [Mr. Arora and his family member] were renting out the Property at that time.

37. Mr. Arora provided BCFSA with a copy of an unsigned version of a bare trust agreement between [Mr. Arora and his family member] and [Buyer 1] in August 2024, and on September 6, 2024 sent an email to BCFSA in which he indicated that while the bare trust agreement had not been finalized, [Buyer 1]'s $150,000 deposit would be protected "if there is a profit in the future when we sell", as they had verbally agreed that if there was a loss upon the sale of the Property, [Buyer 1]'s deposit would be "deducted" and she would be provided with the remaining balance.

Evidence at the Hearing

38. Mr. Arora was the only witness at the hearing of this matter.

39. In his evidence, Mr. Arora indicated that he had not directed [Family Member 1] to provide the bank draft to [Buyer 1]. He stated that on June 2, 2021, [Buyer 1] had brought him the second bank draft and had told him to deposit the same with the Sellers. Mr. Arora stated that when he saw that the deposit cheque was from his [family member], he had contacted the Seller's agent and had informed her that an extension on the deposit date may be required.

40. Mr. Arora explained that the Seller's agent had informed him that the Sellers would not agree to an extension, and that as a result he felt that he had to take the deposit cheque from his [family member] to the Sellers.

41. With respect to the assignment form, Mr. Arora indicated that he had been the one to prepare that document. He explained that he had indicated "No Agency" for [Buyer 1] at section 4.18 of that form due to the fact that he was not representing her in the assignment transaction. Mr. Arora stated that he had taken the original CPS to his managing broker and consulted with him on the assignment, and that his managing broker had informed him that everything looked good.

42. When asked if his managing broker had been aware of the fact that Mr. Arora was representing [Buyer 1] on the CPS, Mr. Arora indicated that he had been, as Mr. Arora had provided the managing broker with all of the original documents on the file. Mr. Arora indicated that his managing broker had not informed him that anything further was required in the circumstances.

43. Mr. Arora stated that, in hindsight, he would have advised [Buyer 1] to retain another agent to represent her in the assignment contract.

44. With respect to [Buyer 1]'s First Deposit, Mr. Arora indicated that they had entered into a verbal agreement that the First Deposit would be used to complete the purchase of the Property, and that there would then be a 50/50 co-ownership agreement on the Property. He indicated that [Buyer 1] had yet to request that he return to her the First Deposit monies, and that [Buyer 1] had not initiated any legal proceedings in that regard. Mr. Arora stated that he was providing [Buyer 1] with updates on the Property including information regarding monthly mortgage amounts, rents collected, and property management fees.

45. Mr. Arora noted that he had, in 2021, an ongoing relationship with [Buyer 1], and had represented her in four other transactions. He also stated that in his view the correspondence between his lawyer and [Buyer 1]'s lawyer clearly demonstrated that he and [Buyer 1] were in general agreement regarding signing a co-ownership agreement to protect the First Deposit that [Buyer 1] had made.

Additional Documentary Evidence

46. Mr. Arora entered into evidence a September 15, 2025 sworn statement, in which he reiterated the evidence he provided to BCFSA investigators on August 8, 2024. In general terms, he stated that he had, prior to the transaction in respect of the Property, been friends with [Buyer 1]'s husband; that [Buyer 1 and her husband] owned multiple properties and that they were for some reason unsuccessful in obtaining financing for the subject Property. Mr. Arora indicated that:

    - [Buyer 1] had approached [Mr. Arora and his family member] to close on the Property. Mr. Arora indicated that [Buyer 1's] position was that either they would lose the $150,000 paid in the First Deposit or that [Mr. Arora and his family member] could take over the purchase of the Property and repay [Buyer 1] at a later date;

- [Mr. Arora and his family member] viewed [Buyer 1 and her husband] as friends, and wanted to help them;

- There was no written agreement at the time, and that the arrangement was based on a trusting relationship between the parties, in essence: "we have your $150,000 and whenever we resell the property, we'll reimburse you in the event if we make any profit. We verbally agreed that [Buyer 1] would retain a 50% beneficial interest in the property.";

- At one point, [Mr. Arora and his family member] had attempted to resell the Property, but the potential buyer had failed to complete due to interest rate increases.

47. Mr. Arora further stated that his lawyer had contacted [Buyer 1] regarding providing a statement in support of Mr. Arora in this matter, and that [Buyer 1]'s lawyer had indicated that such statement would be provided only once a written agreement was in place between the parties. Mr. Arora described a set of ongoing discussions between the parties' lawyers leading up to the hearing of this matter, with no final statement having been signed by [Buyer 1]l, and no apparent agreement between the parties regarding the nature of each party's interest in the Property.

Submissions

48. Both parties provided comprehensive submissions. I will address those submissions in my reasons, and provide the following as a general summary of the parties' submissions.

BCFSA Submissions

49. BCFSA takes the position that Mr. Arora's conduct as a whole ought to be considered serious because it involved two separate conflicts of interest which were not disclosed to [Buyer 1], and multiple failures regarding the exercise of reasonable care and skill.

50. In BCFSA's submission, Mr. Arora was engaged in a conflict of interest when he provided the bank draft for the second deposit, given that it was in his [family member]'s name, and that in doing so Mr. Arora acted with what BCFSA characterizes as intentional disregard of RESA and the Rules.

51. BCFSA further submits that in having [Buyer 1] assign the CPS to him, he was in a conflict of interest in that he had essentially arranged to receive an interest free loan of $150,000 from [Buyer 1] through his proximity to the transaction, whereas [Buyer 1] had not received any legal protection for her legal interest in the Property. In BCFSA's submission [Buyer 1] was left in essentially the same position she would have been had she simply not exercised her option to purchase the Property. BCFSA submits that Mr. Arora's misconduct was in acting in his own self-interest in the transaction, rather than in [Buyer 1]'s, noting that Mr. Arora benefitted in the form of obtaining title to the Property, subsequent rental income, and a commission payment of $28,035.

52. Finally, BCFSA submits that Mr. Arora's failure to advise the Sellers of the assignment from [Buyer 1] to himself in advance of closing was dishonest and led to the Sellers accusing their own agent of having colluded with Mr. Arora.

53. BCFSA took the position that the seriousness of Mr. Arora's misconduct warranted a discipline penalty in the range of $100,000, and points to two prior decisions, *McLane (Re)*, 2022 BCSRE 22 and *Karimloo (Re)*, 2025 BCSRE 8. BCFSA argued that in addition to specific deterrence, this was a case in which public confidence in the sanction issued was of particular importance as it had led to the Seller's accusing their own agent of misconduct, and also in litigation against Mr. Arora.

Mr. Arora's Submissions

54. Mr. Arora's position is that the contraventions that he has acknowledged were not serious in nature and therefore do not warrant a significant penalty.

55. Mr. Arora points to the fact that on February 4, 2021 the subjection conditions on the CPS were removed, causing the CPS to become a fully binding contract, with his commission payable by the Sellers.

56. In Mr. Arora's submission, given that the contract between [Buyer 1] and the Sellers was firm prior to the assignment to [Mr. Arora and his family member] being made, the provision of a DOIT form to the Sellers would have been procedurally moot and functionally meaningless, as the Sellers were no longer in a position to assess or act on the disclosure.

57. Mr. Arora further takes the position that there was no actual conflict of interest in this case. He notes that he did not become a creditor to [Buyer 1], as the $50,000 bank draft had come from his [family member], not from Mr. Arora or his PREC, and the $50,000 was not a loan to [Buyer 1]. Rather, the funds were provided as a result of [Buyer 1]l and [Family Member 1]'s close friendship. Mr. Arora points to his evidence that he sought an extension from the Seller but that was denied, and that he had delivered the $50,000 to the Sellers as a result, despite his concern that he could be in breach of RESA and the Rules.

58. With respect to the fact that he had not correctly completed the agency disclosure in the assignment form, as well as incorrectly completing the DOIT form, Mr. Arora acknowledged those errors and indicated that he was committed to proper completion of forms in the future.

59. With respect to the non-disclosure of his receipt of commission, Mr. Arora submitted that [Buyer 1], having bought and sold several properties in the past, would have known that Mr. Arora would have been paid from the listing agent's commission, which is from the Sellers. In Mr. Arora's submission, the failure to disclose this fact to [Buyer 1] amounted to nothing more than an oversight.

Reasons and Findings

Applicable Legislation

60. The relevant portions of RESA provide as follows:

> **Misconduct by licensee**
>
> 35 (1) A licensee commits professional misconduct if the licensee does one or more of the following:
>
> (a) contravenes this Act, the regulations under this Act or under section 43 [regulations for residential real property right of rescission] of the Property Law Act or the rules;
>
> (b) breaches a restriction or condition of the licence;
>
> (c) does anything that constitutes wrongful taking or deceptive dealing;
>
> (d) demonstrates incompetence in performing any activity for which a licence is required;
>
> (e) fails or refuses to cooperate with an investigation under section 37 [investigations of licensees];
>
> (f) fails to comply with an order of the superintendent;

(f.1) fails to comply with an undertaking that the licensee gave under section 53.1;

(g) makes or allows to be made any false or misleading statement in a document that is required or authorized to be produced or submitted under this Act.

Discipline orders

43 (1) After a discipline hearing, the superintendent must

(a) act under this section if the superintendent determines that the licensee has committed professional misconduct or conduct unbecoming a licensee, or

(b) in any other case, dismiss the matter.

(2) If subsection (1) (a) applies, the superintendent must, by order, do one or more of the following:

(a) reprimand the licensee;

(b) suspend the licensee's licence for the period of time the superintendent considers appropriate or until specified conditions are fulfilled;

(c) cancel the licensee's licence;

(d) impose restrictions or conditions on the licensee's licence or vary any restrictions or conditions applicable to the licence;

(e) require the licensee to cease or to carry out any specified activity related to the licensee's real estate business;

(f) require the licensee to enrol in and complete a course of studies or training specified in the order;

(g) prohibit the licensee from applying for a licence for a specified period of time or until specified conditions are fulfilled;

(h) require the licensee to pay amounts in accordance with section 44 (1) and (2) [recovery of enforcement expenses];

(i) require the licensee to pay a discipline penalty in an amount of

(i) not more than $500 000, in the case of a brokerage or former brokerage, or

(ii) not more than $250 000, in any other case;

(j) require the licensee to pay an additional penalty up to the amount of the remuneration accepted by the licensee for the real estate services in respect of which the contravention occurred.

(2.1) A discipline penalty imposed under subsection (2) (i) may be imposed for each contravention.

(2.2) Despite subsections (2) (i) and (j) and (2.1), if the discipline hearing was conducted following the cancellation of an administrative penalty under section 57 (4) (a.1) [administrative penalties], the sum of the discipline penalty and any additional penalty for a contravention must not be more than the highest amount of the administrative penalty indicated in the notice of administrative penalty for the contravention.

(3) An order under subsection (2) may provide that,

(a) if the licensee fails to comply with the order, or

(b) if the licensee fails to comply with one or more specified restrictions or conditions of the licensee's licence,

the superintendent may suspend or cancel the licence under subsection (4).

(4) If the licensee fails to comply as specified by a provision under subsection (3), the superintendent may, by order, suspend or cancel the licensee's licence, as applicable, without the need for giving the licensee further notice or the opportunity to be heard.

(5) The superintendent may, by order, on the application of or with the consent of the licensee subject to the order, vary or rescind an order made under this section.

(6) For the purposes of this section, "contravention" means an act or omission that is the subject of a determination under subsection (1) (a).

61. The relevant portions of the *Real Estate Services Regulation*, BC Reg 506/2004 (the "**Regulation**") provide:

Enforcement expenses recoverable by the superintendent

4.4 The maximum amounts that the superintendent may order a licensee, former licensee or unlicensed person to pay under section 43 (2) (h) or 49 (2) (c) of the Act are as follows:

(a) for investigation expenses, $100 per hour for each investigator;

(b) in addition to amounts under paragraph (a), for an audit carried out during an investigation leading to a hearing,

(i) $150 per hour for an auditor regularly employed by the Authority or the government, and

(ii) in any other case, $400 per hour;

(c) for reasonably necessary legal services,

(i) $150 per hour for a lawyer regularly employed by the Authority or the government, and

(ii) in any other case, $400 per hour;

(d) for disbursements properly incurred in connection with the provision of legal services to the Authority or the superintendent, the actual amount of the disbursements;

(e) for each full or partial day of hearing, administrative expenses of $2 000;

(f) for each day or partial day that a witness, other than an expert witness, attends a hearing at the request of the Authority or the superintendent, $50;

(g) for an expert witness who attends a hearing at the request of the Authority or the superintendent, $400 per hour;

(h) the reasonable travel and living expenses for a witness or expert witness who attends a hearing at the request of the Authority or the superintendent;

(i) for other expenses, reasonably incurred, arising out of a hearing or an investigation leading up to a hearing, the actual amount incurred.

62. The relevant portions of the Rules provide as follows:

Duties to clients

30 Subject to sections 31 [modification of duties] and 32 [designated agency], if a client engages a brokerage to provide real estate services to or on behalf of the client, the brokerage and its related licensees must do all of the following:

…

(i) take reasonable steps to avoid any conflict of interest;

Duty to act with reasonable care and skill

34 When providing real estate services, a licensee must act with reasonable care and skill.

Disclosure of remuneration

56 (1) This section applies if a licensee receives or anticipates receiving, directly or indirectly, remuneration, other than remuneration paid directly by a client, as a result of the licensee

(a) providing real estate services to or on behalf of the client,

(b) recommending to the client

(i) a home inspector, mortgage broker, notary public, lawyer or savings institution, or

(ii) any other person providing products or services related to real estate, or

(c) referring the client to a person referred to in paragraph (b) (i) or (ii).

(2) Subject to subsection (3), the licensee must promptly disclose to the client all remuneration paid or payable to the licensee's related brokerage in relation to the real estate services provided, and the disclosure must include the following information:

(a) the source of the remuneration;

(b) the amount of the remuneration or, if the amount of the remuneration is unknown, the likely amount of the remuneration or the method of calculating the remuneration;

(c) any other relevant facts relating to the remuneration.

Disclosure of interest in trade

53 (1) A licensee must make a disclosure in accordance with this section to the owner of real estate if, under a trade in real estate,

(a) the licensee is to directly or indirectly acquire the real estate, or

(b) an associate of the licensee is to directly or indirectly acquire the real estate and the licensee is providing real estate services to the associate.

…

(4) Disclosure under this section must

(a) be made promptly and before any agreement for the acquisition or disposition of the real estate is entered into, and

(b) be in a form approved by the superintendent.

(5) The disclosure must contain the following information:

(a) the name of the person to whom disclosure is being made;

(b) the legal description and street address of the real estate in relation to which disclosure is being made;

(c) an indication that the licensee is licensed under the Act and, as applicable, that the licensee, or an associate of the licensee to whom the licensee is providing trading services, is acquiring or disposing of the real estate;

(d) in the case of an acquisition or disposition by an associate of the licensee, the name of the associate and a description of the licensee's relationship to the associate;

(e) in the case of an acquisition by a licensee or associate, the information required under subsection (6);

(f) in the case of a disposition by a licensee or associate, an indication of whether the licensee or associate is disposing of the real estate as an owner or as a tenant of the real estate;

(g) the signature of the licensee and a witness other than a person to whom disclosure is to be made, and the date and place of signing.

(6) In the case of an acquisition by a licensee or associate, the disclosure must include the following:

(a) the amount of remuneration or other money that is anticipated to be received by any of the following:

(i) the licensee;

(ii) the associate or another associate of the licensee;

(iii) another buyer or tenant;

(b) if the acquisition is as other than a tenant,

(i) an indication as to whether the real estate is to be

(A) held for personal, rental or other use, or

(B) resold, and

(ii) if the real estate is to be resold and the licensee or associate is negotiating or has negotiated the resale of the real estate, the terms of that resale;

(c) if the acquisition is as a tenant,

(i) an indication as to whether the real estate is to be

(A) held for personal or other use, or

(B) sublet, and

(ii) if the real estate is to be sublet and the licensee or associate is negotiating or has negotiated the sublease, the terms of that sublease.

(7) The indication referred to in subsection (6) (b) (i) or (c) (i) must be based,

(a) in the case of an acquisition by the licensee, on the licensee's intention at the time of making the disclosure, and

(b) in the case of an acquisition by an associate of the licensee, on the licensee's reasonable belief, at the time of making the disclosure, about the intention of the associate at that time.

Analysis

Liability

63. As set out above, Mr. Arora entered into the ASF, which contained proposed findings of misconduct.

64. As I indicated at the hearing of this matter, I accepted that the facts agreed to in the ASF supported findings of professional misconduct accepted by Mr. Arora pursuant to section 35(1)(a) and (d) of RESA in that he had:

    - Failed to take reasonable steps to avoid any conflict of interest as required by section 30(i) of the Rules both when, with his knowledge, [Family Member 1] provided the $50,000 bank draft on behalf of [Buyer 1], and when he and [Family Member 1] were assigned the CPS to the Property from [Buyer 1], contrary to section 30(i) of the Rules;

    - Failed to act with reasonable care and skill contrary to section 34 of the Rules when he incorrectly completed the agency disclosure section of the assignment of the CPS of the Property, indicating that he had no agency relationship with [Buyer 1] and leaving the section uninitialed by both parties;

    - Failed to disclose to [Buyer 1] the source of his remuneration in the Disclosure of Remuneration form dated January 30, 2021, contrary to section 56(2)(a) of the Rules; and

    - Failed to disclose to the Sellers of the Property that he would be acquiring the Property when the CPS was assigned to him and [Family Member 1] on August 9, 2021, contrary to section 53(1)(a) of the Rules.

65. At the hearing, Mr. Arora indicated that he did not agree that the fact that he had indicated on the Disclosure by of Interest in Trade form that he would not be receiving any remuneration for the purchase of the Property did not in fact constitute a breach of section 34 of the Rules, and as a result did not constitute professional misconduct, as he had not in fact been required by the Rules to complete that form. Mr. Arora's submission was that section 53(1)(a) of the Rules had not required him to provide that form to [Buyer 1], which was the individual to whom he provided the form that was incorrectly completed.

66. Section 53(1)(a) of the Rules requires that a DOIT form must be provided to a seller, not to a buyer.

67. As I indicated in my reasons provided at the hearing, I have found that Mr. Arora's failure to complete the DOIT form correctly, by indicating that he would not be receiving remuneration, in the form of a real estate commission, in respect of the completion of the purchase of the Property, constitutes a contravention of section 34 of the Rules, and therefore constitutes professional misconduct as contemplated by section 35(1)(a) of RESA.

68. In reaching that conclusion I noted that Mr. Arora had failed to properly and accurately complete the DOIT form that he provided to [Buyer 1], in that he had not indicated in Part B of that form that he would be receiving a real estate commission in respect of the completion of the purchase of the Property. I concluded that given the facts agreed to in the ASF, it was more likely than not that Mr. Arora knew that he was to receive a commission in respect of the purchase and sale of the Property, and that he had simply failed to indicate that fact on the form.

69. I concluded that in having chosen to complete the form, and to provide that form to his client, Mr. Arora was clearly in the process of providing real estate services. I found that once he chose to complete that form, and to provide the same to his buyer client, Mr. Arora was bound by the requirements of section 34 of the Rules, that is to act with reasonable care and skill. Simply put, once Mr. Arora had determined to complete the form and to provide the same to [Buyer 1], he was required by the Rules to ensure that the form was completed correctly, and he did not do so.

70. I acknowledged Mr. Arora'a submission that he was not required to provide the form to [Buyer 1] but concluded that submission was no answer to the circumstances before me, in which he had chosen to complete the form and chosen to provide it to [Buyer 1]. In making those choices, Mr. Arora was engaging in the provision of real estate services, namely trading services, and therefore

was required to exercise reasonable care and skill by completing the form correctly while engaging in those services.

Sanction

71. As I have found that Mr. Arora committed professional misconduct in respect of each of the allegations set out in the NODH, sections 43(1)(a) and 43(2) of RESA require that I determine the appropriate sanction in this case. The below is my decision regarding the appropriate sanction to order in this case.

72. The primary goals of regulatory sanctions are to protect the public and encourage compliance. They are not meant to be only denunciatory or retributive; however they can, in appropriate cases, impose heavy burdens designed to achieve specific deterrence, general deterrence, and protection of the public: *Thow v BC (Securities Commission)*, 2009 BCCA 46, at para 38.

73. Regulatory sanctions further these purposes in the following ways:

    a. they serve to rehabilitate respondents through corrective measures;

    b. they specifically deter respondents from committing future misconduct;

    c. they generally deter others from committing future misconduct;

    d. they educate licensees and other industry participants as well as the public about rules, standards, and their importance; and

    e. they help to maintain public confidence in the industry by demonstrating that misconduct will be addressed and denouncing it.

74. To determine the appropriate sanction, regulators consider the whole of the circumstances, including any mitigating or aggravating factors. In the context of the legal profession, hearing panels have provided useful summaries of the relevant factors. In *Law Society of British Columbia v Dent*, 2016 LSBC 5 ("***Dent***") at paras 20-23, the panel provided the following summary of the relevant factors, divided into four categories:

> **Nature, gravity and consequences of conduct**
>
> [20] This would cover the nature of the professional misconduct. Was it severe? Here are some of the aspects of severity: For how long and how many times did the misconduct occur? How did the conduct affect the victim? Did the lawyer obtain any financial gain from the misconduct? What were the consequences for the lawyer? Were there civil or criminal proceedings resulting from the conduct?
>
> **Character and professional conduct record of the respondent**
>
> [21] What is the age and experience of the respondent? What is the reputation of the respondent in the community in general and among his fellow lawyers? What is contained in the professional conduct record?
>
> **Acknowledgement of the misconduct and remedial action**
>
> [22] Does the respondent admit his or her misconduct? What steps, if any, has the respondent taken to prevent a reoccurrence? Did the respondent take any remedial action to correct the specific misconduct? Generally, can the respondent be rehabilitated? Are there other mitigating circumstances, such as mental health or addiction, and are they being dealt with by the respondent?

Public confidence in the legal profession including public confidence in the disciplinary process

[23] Is there sufficient specific or general deterrent value in the proposed disciplinary action? Generally, will the public have confidence that the proposed disciplinary action is sufficient to maintain the integrity of the legal profession? Specifically, will the public have confidence in the proposed disciplinary action compared to similar cases?

75. The above factors are not binding on me, but they do form a useful framework in making my assessment. I also highlight that these factors are not exhaustive. The whole of the matter should be considered in determining the appropriate sanction.

Nature, Gravity, and Consequences of Conduct

76. BCFSA submits that Mr. Arora's misconduct, on the whole, should be considered serious. In making that submission BCFSA suggests that Mr. Arora's misconduct involved two separate conflicts of interest which were not disclosed to the Sellers, and more than one failure to demonstrate the exercise of reasonable care and skill.

77. In describing the nature of the conflict of interest involving the $50,000 bank draft, BCFSA submits that Mr. Arora admitted in his testimony that he knew that it was a conflict of interest when he provided the $50,000 to the Seller, and that in that respect it ought to be accepted that Mr. Arora acted with intentional disregard of RESA and the Rules when he provided that bank draft to be deposited.

78. Mr. Arora, on the other hand, submits that BCFSA mischaracterizes his evidence. Mr. Arora submits that what he had in fact indicated in his testimony was that he was aware at the time that it could be a conflict of interest, but that he was focused on protecting his client, [Buyer 1], from experiencing a significant loss of her initial $150,000 deposit. Mr. Arora submits that his actions in providing the $50,000 deposit should be considered in light of the fact that the Seller would not grant an extension to the provision of that second deposit, and in light of the friendship relationship between [Family Member 1] and [Buyer 1].

79. I accept that in providing the $50,000 deposit to the Seller, Mr. Arora was aware that he was taking a step that could be perceived as creating a conflict of interest. I took Mr. Arora's evidence at the hearing to have been that he was concerned about the potential conflict of interest in placing funds from his [family member] into the transaction. While I accept that Mr. Arora was concerned about [Buyer 1]'s potential loss of her deposit, and that Mr. Arora attempted to avoid providing the $50,000 deposit from his [family member] by contacting the Sellers and requesting an extension, it is clear, given my finding above and given Mr. Arora's acceptance of the ASF and proposed findings of misconduct, that his single action in that regard did not constitute the taking of "reasonable steps to avoid any conflict of interest".

80. In reaching the conclusion above, I acknowledge that Mr. Arora takes the position that no actual conflict of interest existed as a result of Mr. Arora's provision of the bank draft to pay the second deposit. In making that submission Mr. Arora points to the fact that:

- The bank draft came from [Family Member 1], not from Mr. Arora personally, and as a result Mr. Arora did not become [Buyer 1]'s creditor;
- The evidence did not indicate that Mr. Arora had directed [Family Member 1] to provide the bank draft;
- [Family Member 1] had provided the funds to [Buyer 1] due to their close friendship;

- Mr. Arora delivered the draft on [Buyer 1]'s instruction, despite Mr. Arora's concern that he could be in breach of the Rules, and in doing so believed he was acting in [Buyer 1]'s best interests; and

- The bank draft was provided after the CPS was "firm and could no longer be characterized as a 'potential' transaction".

81. I accept that this is certainly not a case involving circumstances such as that in *Zubko (Re)*, where the licensee directed his spouse to provide a deposit payment on behalf of a buyer client, in furtherance of a scheme orchestrated to take advantage of the licensee's client, where the nature of the conflict was clear and obvious.

82. I do not, however, consider the fact that Mr. Arora was not orchestrating a scheme to take advantage of [Buyer 1] to mean that there was no actual conflict created by allowing his [family member] to provide the bank draft for the second deposit.

83. Mr. Arora placed himself in a position in which his [family member] loaned money to Mr. Arora's client in order to pay a deposit on a property. As I indicated in *Wang (Re)*, 2023 BCSRE 18, at paragraph 92, I am of the view that when a licensee places their own money into a transaction in which they are representing another individual as a client, the licensee has created a conflict of interest because the licensee now has a personal interest in the transaction beyond that which a licensee would normally have. This view is consistent with a long list of cases in which the former Real Estate Council of British Columbia, and the superintendent, have consistently taken the position that loans from licensees to clients to pay deposits create a conflict of interest between a licensee and their client. See for example: *Luthe (Re)*, 2007 CanLII 71614 (BC REC); *Wensley (Re)*, 2009 CanLII 46411 (BC REC); *Sharif (Re)*, 2009 CanLII 41125 (BC REC); *Magnus (Re)*, 2015 CanLII 90646 (BC REC); *Engelsman (Re)*, 2019 CanLII 55650 (BC REC); *Gasser (Re)*, 2020 CanLII 103125 (BC REC); and *Deng (Re)*, 2024 BCSRE 99..

84. While I accept that Mr. Arora did not directly provide his own money to fund the bank draft for the second deposit, I am of the view that the reality of the situation was that once that deposit from [Family Member 1] was placed into the transaction, Mr. Arora's interest in the transaction extended beyond the interests of his client, [Buyer 1], to also involving the interests of his [family member]. Simply put, there existed, as a result of his [family member] becoming a party to the transaction in the provision of the bank draft, a risk of Mr. Arora having interests adverse to those of [Buyer 1].

85. In reaching the above conclusion, I acknowledge Mr. Arora's submissions regarding the findings of the Financial Services Tribunal in *Wei (Vicky) Wang and Vicky Wang Personal Real Estate Corp. v Superintendent of Real Estate,* 2024 BCFST 5 (*Wang*). There the FST concluded that:

> [153] There is no doubt that the provision of the loan created or could have created some issues in this case. Accordingly, it is possible that the Delegate's conclusion that the transaction gave rise to a conflict of interest was reasonable in terms of outcome. However, having failed to conduct the necessary analysis in his reasons to arrive at that conclusion, his decision does not meet the test for reasonableness set out in *Vavilov.*

86. Mr. Arora points to the fact that in *Wang*, the FST concluded, at paragraph 144, that the finding in *Wang (Re)* that the licensee's motivation in providing a loan to her client for the payment of a deposit was related to a desire to obtain a commission ignored the fact that the Contract of Purchase and sale was already binding at the time the client had asked for the deposit loan, and that the Contract of Purchase and Sale provided that the commission was due and payable by the seller. The FST concluded that absent a review of the CPS to determine what would occur if the buyer reneged on the acceptance of the offer, the decision finding that the licensee was in a conflict of interest in providing the loan to her client was unreasonable (para. 147).

87. I have reviewed the CPS with respect to the Property in this case. While the FST was correct that I concluded in *Wang (Re)* that the respondent licensee was motivated to provide the loan to her client in order to have the deal close and to earn her commission, as set out above, I also found at paragraph 92 of that decision that having a personal interest in a transaction beyond which a licensee normally would have creates a conflict of interest. I remain of that view, and, as I have set out above, I consider that such a conflict was created in this case.

88. It is worth noting that in the "Your Relationship with a Real Estate Professional" form that Mr. Arora and [Buyer 1] signed associated with his representation of [Buyer 1] for the purchase of the Property, Mr. Arora indicated that he was representing [Buyer 1] "as my client". Page 1 of that form specifically sets out that as a client, the real estate professional has "special legal duties to you, including…Loyalty: They will only act in your best interests".

89. In my view, once [Family Member 1]'s funds became a part of the transaction, Mr. Arora's ability to only act in the best interests of [Buyer 1] was compromised. The situation was now one in which, as described in that "Your Relationship with a Real Estate Professional", Mr. Arora's duty to act only in [Buyer 1]'s best interests would be affected. In sum, a conflict of interest was created.

90. For the sake of completeness, I have considered Mr. Arora's submissions that any commission due to him was not contingent on the payments of the 2nd installment of the deposit, the assignment, or completion, and would have remained payable even if the transaction collapsed. While I accept that this is technically true, I note that section 25 of the CPS provides that the buyer pays the commission out of the proceeds of sale.

91. While I do not consider the evidence in this case to support a conclusion that [Family Member 1]'s provision of the second deposit was done with a view to ensuring Mr. Arora's commission would ultimately be paid in this case, I consider it relevant to point out that the reality of the standard form CPS used in this case is that the buyer's agent is paid out of "the proceeds of sale". If the transaction did not complete, the practical reality was that Mr. Arora would not be receiving a commission from any sale proceeds, regardless of whether he may have some future legal claim against [Buyer 1] to pay his commission in any event.

92. On its own, the conflict created by the provision of the second deposit from [Family Member 1] would seem to be misconduct that is on the low to moderate scale in the particular circumstances of this case.

93. In that regard I note the evidence before me to indicate that [Family Member 1] provided the funds on the basis of her friendship with [Buyer 1], that Mr. Arora was not aware of the fact that [Family Member 1] was providing the deposit until the date it was due, and that Mr. Arora attempted to avoid the conflict by requesting an extension from the Sellers. In sum, I consider that the most that can be said about the failure to take reasonable steps in respect of avoiding the conflict of interest with respect to the $50,000 deposit is that Mr. Arora allowed the conflict to be created, but that he did so with a view to assisting his client and to prevent her losing her initial deposit.

94. I turn then to the assignment. In its submissions BCFSA characterizes Mr. Arora as having essentially received a $150,000 interest free loan from [Buyer 1] as a result of his proximity to the transaction and submits that [Buyer 1] has "not received any legal protection of her beneficial interest in the Property." BCFSA submits that [Buyer 1] has essentially been left in the same position as she would have been in had she not exercised her option to purchase the Property and not assigned the CPS to [Mr. Arora and his family member]. In general terms, I take BCFSA's submission to be that Mr. Arora's actions in taking on the assignment should be treated as serious misconduct, due to the fact that [Buyer 1] was left in a position in which she did not have any legal protections with respect to the funds she had provided.

95. Mr. Arora submits, on the other hand, that there was no actual conflict of interest in this case.

96. In my view, the nature of Mr. Arora's misconduct in failing to take reasonable steps to avoid any conflict of interest by entering into the assignment must be viewed not on its own, but combined with a consideration of his failure to act with reasonable care and skill in indicating on the assignment of the CPS that he had no agency relationship with [Buyer 1]. I consider the combined effect of those two actions is of the type that ranges towards misconduct that is appropriately characterized as serious.

97. The assignment of the CPS occurred on August 9, 2021. While I accept Mr. Arora's evidence that he spoke to his managing broker regarding the assignment, and that he was informed by his managing broker that everything was fine, I consider it to be telling that Mr. Arora acknowledged in his evidence that, with the benefit of hindsight, he would have advised [Buyer 1] to retain another agent to represent her on the assignment contract.

98. In my view, that is clearly what ought to have occurred in order for Mr. Arora have taken reasonable steps to avoid any conflict of interest.

99. Mr. Arora was [Buyer 1]'s agent. He had indicated to her, in the Your Relationship with a Realtor form, that he had a duty to only act in her best interests, and to avoid conflicts of interest. Despite this, he took a written assignment of the CPS from [Buyer 1] that did not deal with how [Buyer 1]'s payment of the $150,000 would be addressed. This was clearly a situation in which Mr. Arora was not in a position to only be acting in [Buyer 1]'s best interests. As an example, [Buyer 1]'s best interests could be seen as having that $150,000 paid back to her quickly and with interest, while Mr. Arora's interests could be seen as delaying such payment and reducing any additional amount to be paid to [Buyer 1]. Simply put, even if Mr. Arora were to in fact act in [Buyer 1]'s interests and contrary to his own, their interests can properly be seen to having been in conflict at the time the assignment was entered into. While I accept the evidence and information before me indicating that the parties have long been friends, this was the type of transaction where the interests of the individuals involved, regardless of friendship, may collide. In sum, I consider that there was in fact an actual conflict of interest between Mr. Arora and [Buyer 1] in respect of the assignment.

100. Simply indicating on the assignment form that he was not acting as [Buyer 1]'s agent in that transaction, does not constitute a reasonable step on Mr. Arora's part to avoid a conflict. I do not consider it to be sufficient, or a reasonable step, for Mr. Arora to have entered into that assignment contract without ensuring that his client's interests were protected. In my view, Mr. Arora's placing his client's interests at risk in the manner that he did is misconduct that is appropriately considered to be serious. The potential for a negative effect on [Buyer 1] in not having an agreement in place that would serve to protect and clarify her interests in the Property or the deposit funds she had provided, and in not being referred for independent advice in the circumstances, was significant.

101. In reaching that conclusion, I acknowledge that on the evidence and information before me, including the fact that it appears that Mr. Arora and [Buyer 1] have made some progress towards formalizing their apparent agreement on [Buyer 1]'s actual interest in the Property given her provision of the $150,000 deposit. I again do not consider this to be a case in which the evidence shows that Mr. Arora tried to take advantage of [Buyer 1] through the assignment.

102. With respect to Mr. Arora's failure to properly document that he would be receiving remuneration from the purchase of the Property in the DOIT form he provided to [Buyer 1] on August 9, 2021, I consider this failure to be misconduct that is minor in nature. While I have found that this was a failure to act with reasonable care and skill, I do not consider it an action that could have had any particular effect on [Buyer 1], given that Mr. Arora was not in fact required to provide [Buyer 1] with the form in question, and also given the fact that [Buyer 1] was not going to be involved further in the purchase of the Property at that point.

103. I similarly view Mr. Arora's failure to properly disclose to [Buyer 1], in the January 30, 2021 disclosure of remuneration form, the source from which he would receive remuneration, to be

misconduct of a minor nature. I accept that Mr. Arora simply failed to complete this portion of the form, and that it likely did not occur to him as being an issue of significance given that [Buyer 1] had previously purchased properties and likely knew that Mr. Arora's commission would be coming from the sale's proceeds.

104. I turn to Mr. Arora's failure to provide a DOIT form to the Sellers upon signing the assignment on August 9, 2021. Section 53 of the Rules is unequivocal. The requirement of that section is that if a licensee is to directly or indirectly acquire the real estate, the licensee must make a disclosure to the owner of the real estate.

105. Mr. Arora's submissions on this issue focused on the fact that the CPS was already "firm" at the point the assignment was entered into in August 2021. He submits that the timing of the assignment made it impossible for him to provide the DOIT form to the Sellers before the offer to purchase was presented, and that as a result the Sellers were no longer in a position where the DOIT form could raise awareness of potential risks that may arise in the real estate transaction given the licensee's direct personal interest in the transaction. In Mr. Arora's submission, disclosure at the stage the assignment was signed would have been "procedurally moot and functionally meaningless", as the transaction was near completion and the Sellers were no longer in a position to act on the disclosure if it had been provided.

106. In my view, there is no timing element to the disclosure required by section 53 of the Rules which would suggest that after a CPS is "firm", disclosure by a licensee is not required. Rather, section 53(4) requires that that disclosure must be made "promptly", and before "any agreement for the acquisition or disposition of the real estate is entered into". I consider the timing element set out in section 53(4) to be intended to address any agreements that a licensee enters into for the acquisition of real estate, and to include a licensee entering into an assignment. If section 53(4) were not to apply to a situation in which a licensee enters into an assignment, this would mean that disclosure would not be required even in a case, unlike the present circumstances, in which the seller's consent was required for an assignment to be entered into. I further do not consider that the reason for the requirement of disclosure can be said to simply be limited to allowing a seller to act on the disclosure. It must be recalled that the overarching purpose of RESA is public protection. This includes providing public confidence in the industry. Disclosure is necessary for a variety of reasons, including identification of potential conflicts of interest, positions of unequal bargaining power, and general information asymmetry that may exist in a transaction as a result of a licensee's interest in that transaction. In general, disclosure of a licensee's interest in a trade ensures transparency in the selling process.

107. I consider that Mr. Arora's failure to disclose his interest in trade to the Sellers falls within the moderate scale of misconduct. It is of note that the Sellers did not find out about Mr. Arora's interest in trade until closing, and that this led them to making a complaint to BCFSA regarding their own agent, who felt, upon finding out about Mr. Arora's involvement in the purchase of the Property, that they had been misled by their own agent. The Sellers' complaint described being "shocked" upon learning that Mr. Arora, who was to their understanding, supposed to the be the buyer's agent, was in fact the purchaser of the Property.

108. In sum, Mr. Arora's failure to disclose as required by section 53 created a situation in which the process was not transparent and clearly caused the Sellers to question the integrity of the transaction and the licensees involved. Regardless of whether the Sellers could have acted upon the disclosure had it been provided in a timely manner, the situation that ultimately arose is precisely of the type that the requirement that licensees disclose their interest in a trade is intended to avoid.

109. While some of Mr. Arora's misconduct is minor in nature, there are aspects that I find, as explained above, are of a more serious nature. The serious misconduct is an aggravating factor.

Respondent's Character and Conduct Record

110. As noted above, Mr. Arora had been licensed for 11 years at the time of the misconduct at issue. BCFSA submits this should be considered an aggravating factor for the purposes of sanction, on the basis that Mr. Arora ought to have been aware that his actions fell below professional standards. BCFSA notes further that Mr. Arora's previous discipline history, dating to 2015, when he was found to have committed professional misconduct when failing to verify that his client was permitted to act on behalf of a buyer company, leading to a suspension of seven days and requirement that he pay enforcement expenses and attend remedial training.

111. Mr. Arora takes the position that his previous disciplinary history was of a different type, and that the current matter did not reflect a pattern of repeated misconduct such that it would be considered as an aggravating factor.

112. I have reviewed the consent order entered into by Mr. Arora in 2015. There is a similarity with respect to the misconduct that occurred in this case. Here, Mr. Arora was aware that there was a potential conflict, but as a result of time pressure, he proceeded to provide the Sellers with the $50,000 deposit provided by his [family member]. In 2015, Mr. Arora described having written the offer "quickly as he was excited and did not check the corporation documents". Both of the circumstances of misconduct indicate a failure to take reasonable steps to ensure that transactions were being completed in a manner that served the parties involved.

113. That said, I do not consider that single previous error, occurring some 6 years prior to the misconduct at issue in this case, to constitute a pattern such that I could conclude that Mr. Arora's disciplinary history should be considered to be an aggravating factor.

114. I find this factor to be neutral in my consideration of the appropriate sanction in this case.

Acknowledgment and Remedial Action

115. Mr. Arora has provided evidence that he has attempted to formalize [Buyer 1]'s interest in the Property. I accept that to be the case and based on the correspondence before me between Mr. Arora and [Buyer 1]'s counsel, I consider it to be likely that such an agreement will be reached.

116. In BCFSA's submission, this remedial action on the part of Mr. Arora should not be considered to be a particularly mitigating factor due to the fact that Mr. Arora did not make those attempts to formalize the agreement between himself and [Buyer 1] until shortly before the liability hearing of this matter. BCFSA notes that there remained, to date, no formalized agreement, and Mr. Arora's position that [Buyer 1]'s interest in the Property had always been protected based on their relationship, it was apparent that [Buyer 1] did not agree.

117. On the evidence before me, it does not appear that Mr. Arora was, at any point, attempting to take any action that would not have harmed [Buyer 1]'s interest in the Property. While it is true, as I have indicated above, that Mr. Arora failed to protect [Buyer 1]'s interest through a formal agreement when they entered into the assignment,, Mr. Arora did provide investigators with a copy of the bare trust agreement that he had intended to enter into with [Buyer 1] in September 2021. Mr. Arora has continued to seek, through his counsel, to enter into a formalized agreement confirming [Buyer 1]'s interest in the Property. I accept that his efforts in this regard should be accepted as mitigating.

118. Mr. Arora submits that the fact that he cooperated with BCFSA's investigation into this matter, responded to all inquiries, provided requested documents and participated in an interview with investigators should also be considered to be mitigating in terms of the determination of the appropriate sanction. Mr. Arora also notes that he entered into the ASF, conserving regulatory resources, and that he has not attempted to deflect responsibility for his misconduct.

119. With respect to Mr. Arora's cooperation with BCFSA's investigation, I note that it appears to me that he cooperated with the investigation in the manner that is required of all licensees pursuant to section 37(4) of RESA. I do not consider such required cooperation to be a mitigating factor of substance.

120. Having reviewed the circumstances as a whole, I consider Mr. Arora's actions in entering into an agreed statement of facts should also be considered to be a mitigating action.

Specific and General Deterrence, and Public Confidence

121. I turn then to the question of public confidence, which in the *Dent* framework includes a consideration of the adequacy of the specific and general deterrent effect of the proposed orders, the rehabilitative effect of the orders, the impact of the proposed orders on public confidence in the integrity of the industry and licensees, and the relationship between the proposed orders and similar cases.

122. There is a need for specific deterrence in this case. Specific deterrence is directed at ensuring future compliance on behalf of a licensee. Mr. Arora has acknowledged in his submissions that any disciplinary action taken must be sufficient to act as specific deterrence for him.

123. There is also a need for general deterrence. Mr. Arora's failure to take reasonable steps to avoid conflicts of interest, and failures in exercising reasonable care and skill are of the type that cannot be tolerated given the potential effects on members of the public who are relying on licensees in their real estate transactions. The superintendent must issue a discipline penalty that makes clear to all licensees that such failures will be taken seriously. In my view, general deterrence is of particular importance in this case.

124. Turning to public confidence, it is clear that while some of Mr. Arora's misconduct was minor in nature, any sanction issued must demonstrate to the public that it can have confidence in the industry, and the disciplinary process. While I accept that some of Mr. Arora's misconduct related to a personal relationship he had with [Buyer 1], the failure to ensure the avoidance of a conflict of interest, and the failure to disclose his interest in the purchase of the Property, are the type of activity which can cause the public to question whether licensees can be relied upon to have their best interests in mind, and to question the transparency of real estate transactions conducted by licensees. A sanction that will ensure public confidence is of importance.

Previous Orders

125. When determining the appropriate sanction, I must also consider previous sanctions ordered by the superintendent and other regulators. These orders are not binding on me, but consistency with prior orders of the superintendent is desirable in ensuring public confidence in the industry and the disciplinary process and in ensuring appropriate general deterrence. I also note that most of the prior orders referred to are consent orders, which are sometimes the result of negotiations and motivations that are not reflected in the final order. I therefore treat consent orders with a degree of caution.

126. The parties have referred to the following decisions and orders:

- *McLane (Re),* a consent order in which the licensee admitted to professional misconduct by failing, either deliberately, and/or in preference to their own interests, and/or due to incompetence, to disclose his own interest in the subject property, in leading the buyers to have the reasonable impression that the licensee was their agent prior to presenting the contract of purchase and sale, in failing to provide any meaningful opportunity for the buyers of the subject property to obtain advice and representation and/or failing to ensure the buyers understood the

risks to proceeding with a purchase as unrepresented persons, and in failing to accurately complete written disclosures of representation and remuneration.

The licensee was the sole director and officer of a company that was one of three sellers of a property. The licensee did not disclose to the buyers that he was, through his company, one of the sellers of the property. The licensee discussed with his managing broker that he may be in a conflict of interest as the listing agent for the property and a seller of the property, and his managing broker recommended that the licensee avoid dealing with the buyers as unrepresented parties in the circumstances. While the licensee indicated that he had verbally disclosed that he was part owner to the buyers, and that he had explained to the buyers he could not act for them given his interest in the property and recommended that they obtain independent representation, the buyers denied receiving any disclosure of interest in trade from the licensee, and denied any explanation of the licensee's interest in the property when they were provided with the DOIT form.

The licensee did ultimately provide the buyers with a DOIT form, as well as a disclosure of remuneration form and a disclosure of representation in trading services ("DORT") form. Of note the DORT form purported to show that another licensee was offering agency to the buyers, when that was not the case. The licensee admitted that he had not provided the DOIT form to the buyers promptly, and that the form did not include information about the licensee's relationship to the seller company. Although the licensee did arrange for a second licensee to be involved in the transaction, he admitted that he met with the buyers alone to obtain their signatures on the CPS, and that he did not provide the buyers the opportunity to discuss the CPS with the second licensee. The buyers reasonably believed the licensee's dealings with them prior to presenting the CPS as implied agency and relied on the licensee when they entered into the CPS.

The licensee agreed to a two-month suspension, remedial education, a discipline penalty of $40,000, and an additional penalty in the amount of $24,850 for remuneration accepted for the services he provided, and enforcement expenses.

- *Karimloo (Re)*, a consent order in which the licensee admitted to referring a number of clients to an individual who was not a registered mortgage broker, receiving referral fees from that individual, and using that individual for two of his own property purchases, which included the submission of fraudulent income documents to lenders. The licensee also provided a $300,000 loan to a client to assist the client in completing a property purchase. The licensee received a direct security interest in the property, as well as interest on the loan and commission payable on the completion of the property purchase. The licensee admitted that making the loan to his client created a conflict of interest, which he had not disclosed to his client, and that he had not taken steps to avoid the conflict of interest and had not completed a DOIT form in relation to his acquisition of an interest in the property by way of the loan.

  The licensee agreed to a discipline penalty in which his licence was cancelled, and he paid a discipline penalty of $75,000, as well as enforcement expenses.

- *Deng (Re)*, 2024 BCSRE 99, a decision on an administrative penalty reconsideration application. There, the licensee was acting as buyer's agent for a family member. The buyer asked the licensee to pay the deposit if he was unable to return from a trip on time to do so. The licensee agreed to help in the circumstances and obtained a $40,000 bank draft from his personal real estate corporation's bank account, and delivered it to his brokerage as payment of the deposit. The buyer repaid the licensee three days later. The hearing officer noted that the licensee had two full business days and a weekend to attend to the issue after the contract had become binding, and that it did not appear that the licensee had taken any steps to find alternate solutions to providing the loan, which created a conflict of interest.

In confirming the administrative penalty of $15,000, the hearing officer noted that:

> 61. The penalties issued in this case are the base amounts for contraventions of sections 30(d), (i), and (j). Although Mr. Deng appears to have somewhat inadvertently contravened these Rules and there appears to not have been any harm in this case, in my view, those factors do not indicate that the administrative penalties are unwarranted here. Had there been harm or had Mr. Deng intentionally disregarded his obligations, that would weigh in favour of a disciplinary proceeding in which substantially larger or more significant sanctions could have been issued. The lack of those factors indicate that an administrative penalty was an appropriate way to proceed for contraventions of the duties set out in sections 30(d), (i), and (j).

- *Goodwin (Re)*, 2018 CanLII 11327 (BC REC), a discipline decision in which the licensee was found to have committed professional misconduct by failing to disclose the amount of remuneration payable to her brokerage, failing to promptly provide her managing broker with all trading records by failing to provide the disclosure of remuneration form, and making or allowing to be made a false or misleading statement to the former Real Estate Council of BC when she gave RECBC staff a disclosure of remuneration form she claimed had been completed at the time of the purchase and sale of a property, when in fact that form was completed nine months after the sale.

  The hearing panel noted that it considered the omission of the form to have been a technical or operational matter, and that when notified that the form was missing from the deal file the licensee had attempted to have the buyers sign the form. The hearing panel indicated that the licensee had not obtained any benefit when she failed to have the form signed and submitted, and that her misconduct in failing to have the form completed had not caused any harm to her clients or to the public. The hearing panel considered the misrepresentation to RECBC to be the more serious matter, and that that action required a meaningful suspension. The licensee was suspended for a period of 30 days, and directed to take remedial education, operate under enhanced supervision, and pay enforcement expenses.

127. While there are circumstances in *Karimloo* that have some similarities to the instant case, namely the provision of a loan to the client, the failure to disclose the conflict of interest, and the failure to disclose the interest in trade, it is unclear from that consent order the degree to which the penalty agreed to related to that misconduct, as opposed to the other misconduct admitted to by Mr. Karimloo, which was significant. BCFSA takes the position that as it is not seeking cancellation in this case, a discipline penalty of $100,000 would be commensurate with Mr. Arora's misconduct and the benefits he received from it.

128. I do not find this submission to be compelling. The nature of the misconduct admitted to in *Karimloo* was varied and significant, including acts of deception and document falsification. I do not consider that I can simply interpret that consent order as indicating that the $75,000 discipline penalty was associated specifically with the conflict of interest and failure to disclose, with the licence cancellation applied to the remainder of the misconduct.

129. With respect to *McLane*, Mr. Arora seeks to distinguish the facts of that consent order on the basis that Mr. McLane was acting in his own best interests or at least not acting in the interests of the buyers, who were unrepresented. While I agree that there are differences in the lack of disclosure provided in the *McLane* case, in that Mr. McLane failed to disclose that he was one of the sellers of the property to buyers who were unrepresented, I note that there is a degree of similarity in the fact that, as Mr. Arora noted in his submissions, "the transaction lacked subjects to safeguard the buyers". When Mr. Arora entered into the assignment of the Property, that transaction also lacked subjects to safeguard [Buyer 1]. While, as I have indicated above, I accept that there was a degree of trust in the relationship between [Mr. Arora and his family member] and [Buyer 1], Mr. Arora was

in a conflict when he took that assignment without ensuring that [Buyer 1] had other representation which could have served to ensure that her interests were protected.

130. As I have indicated above, I am of the view, despite Mr. Arora's submissions, he was in fact in an actual conflict of interest in this case. The fact that there is no specific allegation against Mr. Arora in respect of a breach of section 30(j) of the Rules does not affect my finding in that respect. In my view, there was a clear conflict created between Mr. Arora and [Buyer 1] at the time the assignment was entered into, in that no provision had been made to ensure that [Buyer 1]'s substantial deposit of $150,000 towards the purchase of the Property was protected. In my view, the circumstances of the assignment were more fraught than those associated with the provision of the loan by [Family Member 1]. The conflict created with respect to the assignment was one in which a greater degree of uncertainty was created. The circumstances of this case involve, in my view, misconduct of a more serious degree than that considered in *Deng*.

Sanction Decision

131. I reiterate that public protection and encouraging compliance are the primary goals of regulatory sanctions. I also reiterate that such sanctions should not be purely retributive or denunciatory. Even if they impose a significant burden on an individual, that burden should be imposed to achieve specific deterrence and general deterrence, rehabilitate the respondent, protect the public, and enhance public confidence in the process, the industry, and the regulator: *Thow v BC (Securities Commission)*, at para 38.

132. In my view, there is a role for specific deterrence in this case. While I do not consider the fact that Mr. Arora has a previous disciplinary history in respect of failure to act with reasonable care and skill to be an aggravating factor in terms of the appropriate sanction to be applied in this case, and I acknowledge that in his submissions Mr. Arora has committed to ensuring the proper completion of forms in the future, his submissions indicate that he does not view his actions as having created any actual conflict. As I have set out above, I do not agree. Similarly, Mr. Arora's position that there would have been no practical effect had he disclosed his interest in trade to the Sellers is inconsistent with the reality of that Rule, and in fact with the outcome, which was that the Sellers were left with the impression that they may have been taken advantage of in some manner. The sanction that should be applied in this case must make clear to Mr. Arora that his actions were not acceptable and must encourage future non-compliance with the Rules. In my view, specific deterrence will be achieved through the application of a monetary penalty of some significance.

133. General deterrence is also of importance in this case. I have cited above a number of prior decisions involving licensees who have placed themselves in a conflict of interest position by providing loans to buyer clients. It must be made clear to the industry in general that there is an importance in ensuring that licensees are engaged in meeting their exclusive duties to their clients. Licensees must understand that where they do not take steps in respect of that duty, such as referring their clients for independent advice when the licensee is undertaking activities such as becoming a party to the transaction, there will be consequences of significance. Simply put, the superintendent must make clear to licensees that their duties to their clients must be taken seriously. Similarly, there is a need to emphasize to all licensees the importance of their duties in respect of disclosure, which ensures trust in the real estate industry and transparency in the transaction process.

134. Finally, the need to maintain public confidence in the industry also requires a monetary penalty of significance. While there has been no actual harm caused to the buyers or sellers in this case, the potential for such harm, particularly with respect to [Buyer 1], was obvious. The public must have confidence that the superintendent is operating to protect them from potentially being taken advantage of by licensees who place themselves in a conflict of interest position. Without the superintendent imposing a sanction of some substance in response to the failure to take reasonable

steps to avoid a conflict of interest, the public's confidence in the advice and information they receive from licensees will be compromised.

135. Returning to the comparator cases provided by the parties, I do not see Mr. Arora's misconduct as being of quite the same degree as that committed in *McLane*. There, the consent order indicates that Mr. McLane was clearly acting in his own interest, dealing with unrepresented buyers who were reasonably led to believe that McLane was acting in their interests when he was not. Mr. McLane provided no real opportunity to the buyers to seek independent advice, and it appears that the buyers were not made aware of Mr. McLane's personal interests in the transaction at issue. It strikes me that the misconduct in *McLane* was, on a scale, somewhat more deliberate than that engaged in by Mr. Arora. While, as I have indicated above, I consider that Mr. Arora's actions did create some risk for [Buyer 1], I reiterate that I do not consider that Mr. Arora was attempting to take advantage of [Buyer 1].

136. The misconduct in *Deng* was of a lesser level than that present in Mr. Arora's circumstances, in that *Deng* involved only the one aspect of conflict, namely the provision of the deposit funds. Mr. Arora's misconduct was more varied, and involved the further conflict associated with the assignment. I consider that penalty of greater significance than the $15,000 applied in that case is required here given that there was a more substantial conflict of interest in Mr. Arora having taken on the assignment and taking on the $150,000 liability to [Buyer 1].

137. The primary aggravating factor in this case is Mr. Arora's failure to take any steps to ensure that [Buyer 1] had independent advice regarding the assignment, and in taking the position that he was no longer her agent in respect of that transaction. This left [Buyer 1] in a position in which she did not have advice about protecting her interests in the transaction for the Property, which, given that she had already provided $150,000 towards the purchase of the Property, were significant. This was Mr. Arora's most serious misconduct, with the remaining misconduct ranging from the minor to moderate level.

138. Having considered all of the above, I am of the view that a monetary penalty in the amount of $50,000 is appropriate in the circumstances. This amount is significant enough compared to the quantum of the interest in the Property Mr. Arora received as a result of the transaction to act as a very clear reminder to him, and to other licensees in similar circumstances of their obligation to avoid conflicts of interest, and to properly disclose information to the parties involved in real estate transactions. It will also serve to indicate to the public that the Superintendent is focused on ensuring that licensees will take appropriate steps to avoid conflicts of interest, and appropriately disclose their interests in trade.

139. While I acknowledge that this monetary penalty is somewhat higher than that given in *McLane*, there is no suspension involved here as there was in *McLane*, and I consider that a lower monetary penalty would fail to achieve the desired goals of specific and general deterrence, and the goal of ensuring public confidence.

Enforcement Expenses

140. Sections 43(2)(h), 44(1), and 44(2) of RESA permit the superintendent to require a licensee to pay the expenses, or part of the expenses, incurred by BCFSA in relation to either or both of the investigation or the hearing to which the order relates. Section 44(2)(a) provides that the amounts ordered must not exceed the prescribed limits for the type of expenses claimed. Those limits are prescribed by section 4.4 of the *Real Estate Services Regulation*, BC Reg 506/2004.

141. BCFSA has submitted an appendix of enforcement expenses in the amount of $8,908.

142. In *Siemens (Re)*, 2020 CanLII 63581 at paras 62-63, the panel stated as follows, regarding ordering enforcement expenses:

62. Enforcement expenses are a matter of discretion. A discipline committee will ordinarily order expenses against a licensee who has engaged in professional misconduct or conduct unbecoming a licensee. Orders for enforcement expenses serve to shift the expense of disciplinary proceedings from all licensees to wrongdoing licensees. They also serve to encourage consent agreements, deter frivolous defenses, and discourage steps that prolong investigations or hearings.

63. The practice of discipline committees has also been to assess reasonableness of enforcement expenses by examining the total amounts in the context of the duration, nature, and complexity of the hearing and its issues. While a discipline committee may reduce any award of enforcement expenses to account for special circumstances, such as where the Council fails to prove one or more allegations corresponding to a significant and distinct part of a liability hearing, no such special circumstances arise in this case.

143. BCFSA has proven its allegations in substance in this proceeding. The sanction ordered, while not as high as that sought by BCFSA, is more than the "modest penalty" sought by Mr. Arora. The expenses sought by BCFSA relate to 28 hours of investigation, in-house legal counsel preparation, and the expenses associated with the hearing.

144. I recognized that expenses awards are discretionary. Mr. Arora has made no submissions regarding the expenses claimed by BCFSA, and I consider the expenses sought to be appropriate given the overall nature, duration, and complexity of the matter, including the investigation and the hearing process. I find that an expenses order under section 43(2)(h) in the amount of $8,908 is appropriate.

Conclusion and Orders

145. With respect to liability, I find that Inderjit Arora and Inderjit Arora Personal Real Estate Corporation committed professional misconduct within the meaning of section 35(1)(a) and (d) of RESA when, while acting as a trading services representative for [Buyer 1] in the purchase transaction for the Property, they:

    a. Failed to take reasonable steps to avoid any conflict of interest, contrary to section 30(i) (formerly 3-3(i)) of the Rules, when:

        i. with Mr. Arora's knowledge, his [family member] provided a bank draft of $50,000 on behalf of [Buyer 1] for the second deposit in the purchase of the Property; and

        ii. Mr. Arora and his [family member] were assigned the contract of purchase and sale of the Property from [Buyer 1];

    b. Failed to act with reasonable care and skill, contrary to section 34 (formerly section 3-4) of the Rules, when:

        i. Mr. Arora incorrectly completed the agency disclosure section of the assignment of the CPS of the Property, indicating that that he had no agency relationship with [Buyer 1] and leaving the section uninitialed by both parties; and

        ii. Mr. Arora indicated that he would not be receiving any remuneration for the purchase of the Property in the Disclosure of Interest in Trade form dated August 9, 2021;

    c. Mr. Arora failed to disclose to [Buyer 1] the source of his remuneration in the Disclosure of Remuneration form dated January 30, 2021, contrary to section 56(2)(a) (formerly section 5-11(2)(a)) of the Rules; and

d. Mr. Arora failed to disclose to the seller and owner of the Property that he would be acquiring the Property when the CPS was assigned to him on August 9, 2021, contrary to section 53(1)(a)(formerly section 5-9(1)) of the Rules."

146. Having made those findings, I make the following orders:

a. Pursuant to section 43(2)(i) of RESA, that Mr. Arora and Inderjit Arora Personal Real Estate Corporation jointly and severally pay a discipline penalty in the amount of $50,000 to BCFSA within 60 days of the date of this order;

b. Pursuant to section 43(2)(h) of RESA, Mr. Arora and Inderjit Arora Personal Real Estate Corporation jointly and severally pay enforcement expenses in the amount of $8,908 within 60 days of the date of this order.

147. Pursuant to section 54(1)(e) of RESA, Mr. Arora and Inderjit Arora Personal Real Estate Corporation have the right to appeal the above orders to the Financial Services Tribunal. Mr. Arora has 30 days from the date of this decision to file any such appeal: *Financial Institutions Act*, RSBC 1996, c 141, s 242.1(7)(d) and *Administrative Tribunals Act*, SBC 2004, s 24(1).

DATED at Kelowna, BRITISH COLUMBIA, this 3rd day of February, 2026.

"Original signed by Andrew Pendray"

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Andrew Pendray
Hearing Officer