

BC FINANCIAL SERVICES AUTHORITY

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

AND IN THE MATTER OF

**[APPLICANT 88]
([Licence Number Redacted])**

**REASONS FOR DECISION REGARDING
ADMINISTRATIVE PENALTY RECONSIDERATION REQUEST**

[These Reasons have been redacted before publication.]

DATE AND PLACE OF HEARING: Via Written Submissions

HEARING OFFICER: Gareth Reeves

Introduction

1. On November 17, 2025, the BC Financial Services Authority (“**BCFSA**”) issued a Notice of Administrative Penalty (the “**NOAP**”) in the amount of \$5,000 to [Applicant 88] pursuant to section 57(1) and 57(3) of the *Real Estate Services Act*, SBC 2004, c 42 (“**RESA**”).
2. In the NOAP, BCFSA determined that [Applicant 88] had contravened section 34 of the *Real Estate Services Rules*, BC Reg 209/2021 (the “**Rules**”) by failing to obtain an updated Disclosure of Representation in Trading Services (“**DORTS**”) form when he transferred the listing of a property in Vancouver (the “**Property**”) from [Brokerage 1] (“**[Brokerage 1]**”) to [Brokerage 2] doing business as [Brokerage 2] (“**[Brokerage 2]**”) and submitting a DORTS form to BCFSA showing it was signed by the client on January 1, 2023 when it was in fact signed by the client on February 2, 2023 and also by relying on a property disclosure statement signed by the client on November 9, 2021 (the “**PDS**”) in a transaction in January 2023. The NOAP also alleges that an addendum to the contract of purchase and sale for the January 2023 transaction incorporated the PDS as part of the contract.
3. [Applicant 88] applied for a reconsideration of the NOAP under section 57(4) of RESA. The application proceeded by written submissions.

Issues

4. The issue is whether the NOAP should be cancelled or confirmed.

Jurisdiction and Standard of Proof

5. This opportunity to be heard is provided pursuant to section 57(4) of RESA, which requires the Superintendent of Real Estate (the “**superintendent**”) to provide a person who receives an administrative penalty with an opportunity to be heard upon request.
6. Section 57(4) of RESA permits the superintendent to cancel the administrative penalty, confirm the administrative penalty, or, if the superintendent is satisfied that a discipline hearing under section 40 of RESA would be more appropriate, cancel the administrative penalty and issue a notice of discipline hearing.
7. The superintendent has delegated the statutory powers and duties set out in section 57 to Hearing Officers.
8. The standard of proof is the balance of probabilities.

Background

9. The evidence and information before me consists of an investigation report completed by BCFSA Investigations, the tabs thereto, the documents and information provided by [Applicant 88] in the application for reconsideration, and submissions by [Applicant 88] and BCFSA Investigations. The following is intended to provide some background to the circumstances and to provide context for my reasons. It is not intended to be a recitation of all of the information before me.

Licensing Background

10. [Applicant 88] was first licensed as a representative in the trading services category on November 6, 2007. [Applicant 88] has been licensed with several brokerages since that date. Between December 20, 2018 and July 20, 2022, [Applicant 88] was licensed with [Brokerage 1]. On July 20, 2022, he transferred to [Brokerage 2] and was licensed as a representative there until he became a managing broker on February 2, 2023. When he became licensed as a managing broker, he also added rental property management services to his license.
11. [Applicant 88] also has a personal real estate corporation, [Applicant 88] Personal Real Estate Corporation, which has been licensed in the same fashion as [Applicant 88] since January 18, 2010.
12. [Applicant 88] is the sole director of [Brokerage 2]. With regard to this point, [Applicant 88] raises issue with the Exhibit List to BCFSA’s investigation report. That list labels Tab #03 to the report as “BC Company Summary – [Company 1]”, which is a seemingly irrelevant company. [Applicant 88] submits that this “raises serious concerns regarding fairness, relevance, and objectivity of the evidentiary record” and that the document at Tab #03 cannot be relied upon. The actual document at Tab #03 included with the report provided is a BC Company Summary for [Brokerage 2] and, although BCFSA Investigations provided no submissions on this point, the reference to [Company 1] is clearly an error. This is evidenced by the fact that the Exhibit List correctly identifies the search date of September 12, 2025 and the file name “256031-25012-BC Online-[Brokerage 2].pdf” and by the fact that the body of the report correctly describes the document’s contents. It is not clear how that error occurred, but it is clearly an error. I reject [Applicant 88]’s submission that the document cannot be relied on as a result of this error or that the error impacts the “fairness, relevance, and objectivity of the evidentiary record” either as it relates to this document or as a whole.

The Alleged Misconduct

13. On November 9, 2021, [Client 1] (the “**Client**”) signed various documents including the following:

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- a. The PDS, in which the Client made various disclosures regarding the Property. Although the PDS stated the date of disclosure was November 3, 2021, it included November 9, 2021 as the date the purchasers had received the PDS. It appears from a review of the PDS that the November 9, 2021 dates were inserted when the Client signed the PDS.
 - b. A Privacy Notice and Consent form. I note that this document is dated November 3, 2021, but I find that it was most likely signed on November 9, 2021 with the other documents noted in this paragraph.
 - c. A DORTS form dated November 9, 2021 disclosing that [Applicant 88] was representing the Client as his agent. The November 9, 2021 DORTS form contained spaces for a licensee to insert their name and any team name but did not include any space for the licensee to provide their brokerage's name. BCFSA has taken no issue with the form or content of the November 9, 2021 DORTS form.
 - d. A Disclosure of Interest in Trade form disclosing that the Client was a licensee.
14. [Applicant 88] states that he entered into multiple listing contracts with the Client in regard to the Property on November 9, 2021 and March 28, 2022. I have not been provided copies of those contracts, but the fact of their existence does not appear to be in issue and I find, on the record before me, that [Applicant 88] and the Client signed multiple listing contracts on those dates and that the Property was listed continuously from November 9, 2021 to June 8, 2022, as he states.
 15. On June 8, 2022, the Client, [Applicant 88], and [Brokerage 1] signed a multiple listing contract for the Property providing, among other things, that [Brokerage 1], with [Applicant 88] acting as designated agent, would market the Property for sale from June 18, 2022 to August 31, 2022. By way of a series of written amendments, the listing price on that multiple listing contract was increased and its expiry date was extended to December 31, 2022.
 16. On July 21, 2022, the June 8, 2022 multiple listing contract was transferred from [Brokerage 1] to [Brokerage 2], the day after [Applicant 88] transferred brokerages. Both managing brokers and the Client signed the transfer form.
 17. On July 25, 2022, [Applicant 88] emailed the Real Estate Board of Greater Vancouver to request a transfer of the Property's listing to [Brokerage 2].
 18. On August 6, 2022, the Client signed a contract of purchase and sale for the Property which included an acknowledgement that [Applicant 88] was acting as the Client's designated agent licensed in relation to [Brokerage 2]. It appears this contract did not proceed, though it is not clear why on the evidence before me.
 19. On November 22, 2022, the Client signed a contract of purchase and sale for the Property which included an acknowledgement that [Applicant 88] was acting as the Client's designated agent licensed in relation to [Brokerage 2]. It appears this contract did not proceed, though it is not clear why on the evidence before me.
 20. On January 1, 2023 and following discussions between [Applicant 88] and the Client, [Applicant 88] prepared an exclusive listing contract (the "**Exclusive Listing**") offering to have [Brokerage 2], with [Applicant 88] as designated agent, market the Property from January 1, 2023 to February 28, 2023. [Applicant 88] and his managing broker signed the Exclusive Listing on January 1, 2023 and [Applicant 88] then sent the Exclusive Listing to the Client via Docusign. The Client did not want to sign the Exclusive Listing at that time and preferred to wait until an offer came in or [Applicant 88] found a serious buyer.
 21. In my view, the evidence is also sufficient to establish that [Applicant 88] prepared the January 1, 2023 dated DORTS form on January 1, 2023. Although the fact that he prepared the form on January 1, 2023 and did not deliver it on that date does not align well with the evidence showing

he prepared and delivered the Exclusive Listing on January 1, 2023, because it makes most sense that he would have also delivered the DORTS form on that date if he had prepared it, [Applicant 88] expressed some uncertainty regarding whether the DORTS form was really required and that may have been sufficient for him to have not sent it with the Exclusive Listing. Overall, I accept that [Applicant 88] prepared the January 1, 2023 dated DORTS form on January 1, 2023.

22. [Applicant 88] also says in his submissions that he met with the Client on January 1, 2023 and presented the Exclusive Listing and the January 1, 2023 dated DORTS form to the Client, but, as noted above, the Client did not want to sign the documents. In my view, this account does not comport well with [Applicant 88]'s written statements to BCFSA Investigations during the investigation. In those statements he described preparing the Exclusive Listing and the January 1, 2023 dated DORTS form on January 1, 2023, sending the Exclusive Listing to the Client on January 1 and 23, 2023, and sending the January 1, 2023 dated DORTS form to the Client on February 1, 2023. His statements during the investigation do not mention a meeting on January 1, 2023. Further, if [Applicant 88] had met with the Client on January 1, 2023 and provided a DORTS form on that date there would likely be a version of the DORTS form signed, at least by [Applicant 88], before February 1, 2023 and [Applicant 88] likely would have delivered a version via DocuSign along with the Exclusive Listing. In my view, the evidence does not support [Applicant 88]'s statement that he met with the Client on January 1, 2023 and gave the Client the Exclusive Listing and the January 1, 2023 DORTS form.
23. On January 23, 2023, [Applicant 88] resent the Exclusive Listing to the Client. It appears that, on this date, he amended the Exclusive Listing to run from January 23, 2023 to February 28, 2023.
24. On January 24, 2023, the Client signed the Exclusive Listing.
25. [Applicant 88] did not have the Client sign a new property disclosure statement because he was not aware of any changes to the Property that would require additional disclosure.
26. On January 25, 2023, [Buyer 1] and [Buyer 2], as buyers, (the "**Buyers**") and the Client, as seller, entered into a contract of purchase and sale for the Property (the "**Contract**"). The Contract included, among other things, a condition precedent permitting the Buyers to obtain and review a property disclosure statement for the Property by January 31, 2023. The Contract provided that any approved property disclosure statement would form part of the Contract. The Contract listed [Applicant 88] as the seller's designated agent for the transaction and indicated [Applicant 88] was licensed in relation to [Brokerage 2].
27. At some point between January 25, 2023 and January 31, 2023, the Buyers signed the PDS. Although the PDS dates the Buyers receipt, review, and acknowledgment at November 9, 2021, it is only reasonably possible that they signed it between the date of the Contract and the date they removed subjects.
28. On January 31, 2023, the Buyers removed subjects on the Contract. Although the PDS indicates that the Buyers received, read, and understood the PDS on November 9, 2021.
29. On February 1, 2023, [Applicant 88] sent the January 1, 2023 dated DORTS form to the Client. Although the DORTS form is dated January 1, 2023, the DocuSign certificate in evidence establishes that [Applicant 88] did not send it to the Client until February 1, 2023. If he had sent it on January 1, 2023, there would be some documentary evidence of that fact. The DocuSign certificate provided by [Applicant 88] establishes that [Applicant 88] signed the January 1, 2023 dated DORTS form on February 1, 2023.
30. On February 2, 2023, the Client signed the January 1, 2023 dated DORTS form.

31. The result of the way in which the January 1, 2023 dated DORTS form was prepared and signed was that it contained an incorrect date for both the disclosure, which was February 1, 2023 and not January 1, 2023, and the acknowledgment by the Client, which was February 2, 2023 and not January 1, 2023. I find this occurred because [Applicant 88] simply sent the form he had prepared on January 1, 2023 without updating it.
32. Regarding why [Applicant 88] provided the PDS and not an updated disclosure, [Applicant 88] says that he did not acquire an updated property disclosure statement along with the Exclusive Listing or the Contract because he was not aware of any changes that would require disclosure and neither the Buyers nor their agent requested an updated disclosure statement. I accept this to be true. There is no evidence that any information in the PDS was incorrect and no evidence that there were any issues with the closing on the Contract or that issues subsequently arose that might indicate the PDS failed to disclose known defects or issues.
33. During BCFSA's investigation, [Applicant 88] provided the January 1, 2023 dated DORTS form and, subsequently, sent the Docusign certificate for that form showing that it was signed by [Applicant 88] and sent to the Client on February 1, 2023 and signed by the Client on February 2, 2023.

Submissions

34. [Applicant 88] submits that the evidence does not establish that he failed to act with reasonable care and skill in this matter.
35. With regard to the disclosure of his representation, [Applicant 88] submits that the Client, [Brokerage 1], and [Brokerage 2] agreed to the transfer of the listing for the Property on July 21, 2022. He submits that the Client's signature on this transfer acknowledges the new relationship with [Brokerage 2]. He submits that the November 9, 2021 dated DORTS form only required disclosure of his relationship with the Client and did not include a space to indicate his brokerage's name. He further submits that RESA and the Rules did not require a new DORTS form when [Applicant 88] transferred brokerages and instead that the disclosure must only be made under section 54 of the Rules "before providing trading services".
36. [Applicant 88] also submits that there is no evidence that it was industry standard to require a new DORTS form or property disclosure statement when changing brokerages. He argues that he is aware of no educational material, guidance, or rules that would require an updated DORTS form in that context. He submits, without providing any evidence himself, that industry training establishes that DORTS forms are intended to disclose the relationship between the individual licensee and the consumer, that property disclosure statements are not brokerage specific, that a brokerage transfer does not create a new agency relationship, and that a new DORTS forms or a new PDS are only required where there is a new agency relationship or material change in circumstances.
37. [Applicant 88] submits that he, on September 3, 2025, spoke to a managing broker who had taught a course authorized by BCFSA who confirmed that [Applicant 88] was "overly cautious" in preparing a new DORTS form in January 2023 and that new PDS was only required if a buyer's agent requested it. [Applicant 88] provided a screenshot showing he had a phone call on September 3, 2025 with the said managing broker as the only independent evidence of this call or its contents. He provides no evidence of the managing broker's qualifications, aside from his statement that the broker is a course instructor and a managing broker.
38. [Applicant 88] further submits that none of his managing brokers identified the need for a new DORTS or PDS when he transferred brokerages.
39. With regard to the allegation that [Applicant 88] provided the January 1, 2023 dated DORTS form that had actually been signed in February 2023 to BCFSA Investigations, he submits that the form was unnecessary, that the date on the form reflected the date he prepared and presented it to the

Client along with the Exclusive Listing, and that the Client knew [Applicant 88] was the Client's agent as evidenced by the Client's initials next to the representation clauses in the various contracts of purchase and sale in evidence. [Applicant 88] also notes that the DORTS form fails to distinguish between the signature date and the disclosure date, providing only space for a signature date. He submits that he was instructed by instructors and mentors to insert the disclosure date in the DORTS form. He submits that the fact that the disclosure date, and not the signature date, is what the DORTS form requires, is supported by the fact that the Client's signature date is optional; however, he acknowledges that the Client's acknowledgment should have been dated February 2, 2023, the date the Client signed it.

40. With regard to the PDS, [Applicant 88] submits that the PDS is not a required document in a real property transaction. He submits that the Buyers and their agent did not request a new PDS and indicated they were satisfied with the PDS by removing subjects. He submits, based on what their agent told him, that the Buyers planned to renovate the Property, did so, and were happy with the renovations. He submits that licensees can exercise professional judgment in determining whether a new property disclosure statement is required based on how dated the existing property disclosure statement is, whether any material changes have occurred, and whether there was any lapse in listing a property.
41. [Applicant 88] relies on the previous decisions in *Lee (Re)*, 2025 BCSRE 1 and *Kim (Re)*, 2025 BCSRE 35 to argue that the administrative penalty should be cancelled. I note that [Applicant 88]'s submissions mischaracterize the decision in *Lee (Re)* by saying that the decision holds that "applying a Rule 34 penalty on top of a minor administrative issue would amount to double-penalty and disproportional enforcement". This is incorrect. In that case, Mr. Lee was found to have contravened both sections 30(a) and 34 of the Rules, but the overlap in the allegations required application of the double jeopardy principle. The decision does not address the proportionality of the sanction other than to confirm that the \$5,000 sanction for a contravention of section 30(a) of the Rules in that context was appropriate.
42. Regarding *Kim (Re)*, [Applicant 88]'s submissions ignore that the fundamental reason Mr. Kim's administrative penalty was cancelled was not that he exercised "due diligence and behaved in a reasonably prudent manner, even though there was a procedural irregularity", but that Mr. Kim in fact responded reasonably to a procedural irregularity caused by another licensee. The only way that *Kim (Re)* applies to these facts is to confirm that an administrative penalty for an alleged failure to act with reasonable care and skill should be cancelled if the facts do not prove the licensee failed to act with reasonable care and skill.
43. [Applicant 88] submits that his actions did not cause a material degree of harm to a client, a consumer, the public, or the reputation of the real estate industry. He submits that the seller in the transaction was a licensee and therefore not vulnerable and did not suffer from an information asymmetry. He submits that he acted in good faith and cooperated with the investigation. He submits that the conduct was isolated and technical. He submits that as a result of these factors, the \$5,000 administrative penalty is not warranted.
44. [Applicant 88] further submits that a July 2024 British Columbia Real Estate Association analysis regarding BCFSA's administrative penalty framework suggest that his conduct should not warrant a sanction as a "Category C "greater harm"" contravention.
45. [Applicant 88] also submits that the investigation was procedurally unfair for various reasons. He argues that BCFSA Investigations both requested documents and interviewed him before providing him notice that he was under investigation and he characterizes certain interview questions as "inappropriate, irrelevant and inconsistent with the established principles of procedural fairness." He also objected to BCFSA Investigations' refusal to provide him with a copy of his interview transcript.

46. BCFSA made no substantive submissions responding to [Applicant 88]'s submissions; however, it did make submissions regarding the circumstances in which I should cancel the NOAP and order the issuance of a notice of discipline hearing. BCFSA submits that I should make that order if [Applicant 88] submits new evidence that I intend to rely on in my decision, the matter will be decided on a substantive legal issue that may impact future reconsiderations, the matter involves a credibility assessment, or the misconduct is better addressed through a suspension or cancellation which cannot be issued through an administrative penalty. Given my analysis does not engage any of these issues and BCFSA has not indicated any specific issues that fall under these headings, I will not address these submissions in my reasons.

Reasons and Findings

Applicable Legislation

47. Section 56 of RESA provides that BCFSA may designate specific provisions of RESA, the *Real Estate Regulation*, BC Reg 506/2004 (the "**Regulations**"), or the Rules as being subject to administrative penalties, and may establish the amounts or range of amounts of administrative penalty that may be imposed in respect of each contravention of a specified provision. Pursuant to section 56(2), the maximum amount of an administrative penalty is \$100,000.
48. Section 26(1) of the Rules indicates that for the purposes of section 56(1) of RESA, contraventions of the Rules listed in section 26(2) of the Rules are designated contraventions to which Division 5 (Administrative Penalties) of Part 4 of RESA applies.
49. Section 26(2) of the Rules identifies six categories, Category A, B, C, D, E, and F, for designated contraventions for the purpose of determining the amount of an administrative penalty. Section 34 of the Rules is placed in Category C. Section 27(3) of the Rules provides that a contravention of a section designated in Category C may attract a monetary administrative penalty of \$5,000 for a first contravention or \$10,000 for a subsequent contravention.
50. Section 57(1) of RESA sets out that if the superintendent is satisfied that a person has contravened a provision of RESA, the Regulations, or the Rules designated under section 56(1)(a) of RESA, the superintendent may issue a notice imposing an administrative penalty on the person. Section 57(2) requires that a notice of administrative penalty indicate the rule that has been contravened, indicate the administrative penalty that is imposed, and advise the person of the person's right to be heard respecting the matter.
51. Section 57(4) of RESA states as follows:
- (4) The superintendent must provide the person with an opportunity to be heard if this is requested and, following the opportunity, may
 - (a) cancel the administrative penalty,
 - (a.1) cancel the administrative penalty and issue a notice to the person under section 40 (1) [*discipline hearing*] or 48 (2) [*hearing relating to unlicensed person*] if the superintendent is satisfied that issuing the notice is more appropriate than imposing the administrative penalty, or
 - (b) confirm the administrative penalty, in which case it becomes due and payable to the Authority.

52. Section 34 of the Rules provides as follows:

Duty to act with reasonable care and skill

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

Analysis

53. The decision to impose an administrative penalty under section 57 of RESA is discretionary. A request for an opportunity to be heard regarding an administrative penalty often requires a Hearing Officer to consider not only whether the alleged contravention has occurred, but also whether a licensee exercised due diligence or if extenuating circumstances prevent compliance; however, where BCFSA alleges that a licensee failed to act with reasonable care and skill contrary to section 34 of the Rules, the concept of due diligence is subsumed within the reasonable care and skill standard. BCFSA therefore bears the onus of proving that the licensee failed to exercise reasonable care and reasonable skill when providing real estate services.

54. The standard to be applied when considering whether a licensee exercised reasonable care and skill is whether a reasonably prudent licensee in the applicant's circumstances would have acted differently.

Contravention: The DORTS Forms

55. I turn first to issues related to the DORTS forms. BCFSA makes two allegations in this regard. First, BCFSA alleges that [Applicant 88] failed to act with reasonable care and skill when he failed to provide an updated DORTS form when he transferred brokerages. Second, BCFSA alleges that [Applicant 88] failed to act with reasonable care and skill when he provided the January 1, 2023 dated DORTS form to BCFSA Investigations when that form was actually signed on February 1, 2023 by [Applicant 88] and February 2, 2023 by the Client. I will address these allegations in turn.

56. Regarding the allegation that [Applicant 88]'s failure to provide an updated DORTS form constituted a failure to act with reasonable care and skill, I note, as [Applicant 88] does, that the evidence does not prove that [Applicant 88] was required to include his brokerage's name in form of disclosure required under section 54 of the Rules in July 2022. The form that [Applicant 88] used in November 2021 did not include a space requiring disclosure of a licensee's brokerage's name. BCFSA has taken no issue in this proceeding with [Applicant 88]'s use of that form at that time. The form that [Applicant 88] used in January and February, 2023 did require [Applicant 88] to include the name of his brokerage, but there is no evidence before me regarding when that requirement was added to the form.

57. I have consulted the currently available regulatory statement issued by the superintendent regarding approved forms, RESA 23-003 dated January 19, 2023, which indicates that it replaces a preceding regulatory statement, RESA 21-003, and further indicates that the approved form of the disclosure under section 54(2) of RESA is dated September 2019. This fails to illuminate the situation in two regards. First, I am unable to find a copy of the preceding Regulatory Statement RESA 21-003, but the naming convention indicates it was enacted some time in 2021. I assume it was enacted after the superintendent assumed jurisdiction over licensees with the amalgamation of the Real Estate Council of British Columbia and BCFSA effective August 1, 2021. Second, the date of the approval for the revised form used by [Applicant 88] in January and February 2023 is not likely to be in or before 2021: the revised form is different from the one used by [Applicant 88] in late 2021 as discussed above and both forms use BCFSA branding, which could not have been the case prior to the above noted amalgamation on August 1, 2021.

58. Based on the above evidence, I am unable to conclude that the approved DORTS form in July 2022, when [Applicant 88] changed brokerages, required licensees to disclose the name of their

brokerage. The evidence is not sufficient to establish that fact. Given BCFSA has the onus of proof in this case, I therefore conclude that the form required by section 54 of RESA in July 2022, when [Applicant 88] changed brokerages, did not require disclosure of [Applicant 88]'s brokerage.

59. The result of this is that it could not have been logically necessary to provide an updated form to the Client because nothing contained within the form had changed: [Applicant 88] remained the Client's agent and [Applicant 88] did not acquire any teammates. The change in brokerage did not necessitate a change in the form. There was therefore no change in representation disclosed by the contents of the November 2021 DORTS form when the transfer occurred in July 2022 that could necessitate a new disclosure.
60. I pause to note that it is curious to me that the DORTS form did not require disclosure of the brokerage name when a licensee changes brokerages. This is because British Columbia's real estate services industry operates on a brokerage model in which the agency relationship is established primarily between the client and the brokerage. The individual licensee then provides services on behalf of the brokerage: see section 7(3)(a) of RESA. This is also reflected in the standard form listing contracts used by many trading services licensees, which is a contract between the brokerage and the client which appoints the individual licensee as a designated agent. The designated agency relationship is a derogation from the usual agency relationship which limits the obligations of other licensees at the brokerage and of the brokerage itself, but does not undermine the fact that the agency relationship is fundamental between the client and the brokerage: see section 32 of the Rules. In this regard, I reject [Applicant 88]'s argument that nothing changed regarding the agency relationship when he changed brokerages: the agency relationship of the brokerages changed, though [Applicant 88]'s role did not.
61. Given my findings regarding the contents of the approved DORTS form at the relevant time on the evidence before me, I will not comment in detail on [Applicant 88]'s evidence and submissions on the industry standard as it applies to the DORTS disclosure when licensees transfer brokerages. In my view, it is sufficient to note that a new form would have been pointless here and therefore was not required. I will however note that, given the current contents of the DORTS form, [Applicant 88]'s position appears to run contrary to the requirements of section 54 of the Rules and the purposes of that section, which is to ensure clients are clearly informed regarding who represents them. In this regard, it is important clients know what brokerage represents them so that the clients know who holds the supervisory and compliance obligations set out in the Rules. I also note that there may be an open question as to whether failing to deliver a DORTS form when required, on its own, constitutes a contravention of section 34 of the Rules in addition to a contravention of section 54 of the Rules, but I will not address that question here.
62. Regarding the signature date issue, this allegation is also resolved by reference to the fact that the DORTS form [Applicant 88] prepared in January 2023 was not required. In my view, it is not possible to say that a reasonably prudent licensee in [Applicant 88]'s position in January and February 2023 would have done more than [Applicant 88] did, because a reasonably prudent licensee in [Applicant 88]'s position at that time would not have delivered a DORTS form at all. In that regard, if [Applicant 88] acted without sufficient diligence in preparing the form, I cannot say that he acted without reasonable care and skill in going beyond what was required of him. In concluding this, I should not be taken to say that a licensee can act carelessly when engaging in tasks that might go beyond those strictly required: if they take on a task they should ensure that the task is done with reasonable care and skill. That said, this is not a circumstance in which a licensee was preparing a contractual or other document that might impact their client's or another party's rights, such as a property disclosure statement; [Applicant 88] was preparing a form that, in the circumstances, was not required to be produced and had no impact on the rights or obligations of the parties or his obligations to the Client. In my view, [Applicant 88]'s conduct in dealing with the dates on the document might not have been ideal, but it was not sufficient to constitute a breach of the obligation to act with reasonable care and skill.

63. Finally, regarding the delivery of the form to BCFSA Investigations, section 34 of the Rules requires reasonable care and skill “[w]hen providing real estate services.” In my view, a licensee is not providing real estate services when responding to investigatory demands. This allegation therefore cannot stand.

Contravention: The PDS

64. Regarding the PDS, I am unable to conclude that [Applicant 88] failed to act with reasonable care and skill by failing to provide an updated PDS.

65. As [Applicant 88] notes in his submissions, property disclosure statements are not required documents for real estate transactions in British Columbia. They exist to provide a mechanism through which buyers can obtain information regarding a property from sellers. They are, therefore, commonly required by buyers when considering whether to enter into contracts of purchase and sale or to remove subjects from such contracts. As a result, seller’s agents commonly prepare them to make the process more efficient and to ensure they are making sufficient inquiries regarding material latent defects within their client’s knowledge. Although they are common and useful, they are not required.

66. In this case, [Applicant 88] had the Client complete a PDS in November 2021. He did not obtain an updated version after that. [Applicant 88] says that he did not obtain an updated version because he was not aware of any changes to the property that would require an update. There is no evidence that such an update was necessary. There is no evidence that [Applicant 88] misrepresented the contents of the PDS at any point.

67. The Buyers included a subject in the Contract that allowed them to review and approve a property disclosure statement. They reviewed, and approved, the PDS and removed subjects on the Property. The Buyers had the opportunity to review the PDS and it was clearly written on the PDS that the date of the disclosure was November 9, 2021. If they had wanted a more recent disclosure, they could have sought that. They did not. I fail to see how [Applicant 88] could be held to have failed to act with reasonable care and skill when he provided the Buyers a property disclosure statement with no proven misrepresentations and they reviewed and approved it. If there were any issue with the date of the PDS, the failure was on the side of the Buyers, their agent, who was obliged to act in their interests and take steps to discover relevant facts concerning the Property, or both and not [Applicant 88].

68. In this regard, I have reviewed several orders under RESA going back as far as 2008. None of these decisions have found a seller’s licensee liable for failing to provide an updated property disclosure statement where no updates were required and the buyer did not request one.

69. Several cases determined that buyer’s agents failed to act with reasonable care and skill when they failed to obtain a property disclosure statement or information regarding a property. The following is a sampling of those cases: *Xu (Re)*, 2020 CanLII 12245 (BC REC); *Twarog (Re)*, 2012 CanLII 5324 (BC REC); *Whitney (Re)*, 2012 CanLII 50860 (BC REC); *Rowlands (Re)*, 2008 CanLII 75132 (BC REC); and *Thompson (Re)*, 2008 CanLII 75136 (BC REC);

70. Several cases determined that a seller’s agent failed to act with reasonable care and skill when they failed to make sufficient inquiries regarding deficiencies or failed to disclose known defects in a property disclosure statement. The following is a sampling of those cases: *Hamzehali (Re)*, 2024 BCSRE 108 (CanLII); *Renzullo (Re)*, 2025 BCSRE 7 (CanLII); *Tse (Re)*, 2021 CanLII 52002 (BC REC) *Cowling (Re)*, 2020 CanLII 28291 (BC REC); *Ronse (Re)*, 2019 CanLII 86410 (BC REC); *Beesla (Re)*, 2016 CanLII 30881 (BC REC); *Todd Faber (Re)*, 2014 CanLII 11068 (BC REC); *Robert (Re)*, 2013 CanLII 83893 (BC REC); *Ashdown (Re)*, 2012 CanLII 50863 (BC REC); *Thompson (Re)*, 2011 CanLII 28094 (BC REC); *Hoffman (Re)*, 2008 CanLII 77205 (BC REC); *Aubie (Re)*, 2008 CanLII 75133 (BC REC); and *Chow (Re)*, 2008 CanLII 75215 (BC REC).

71. Some cases also involved limited dual agents, when that arrangement was more common, failing to make disclosures of known or suspected defects in property disclosure statements. The following is a sampling of those cases: *Oldroyd (Re)*, 2014 CanLII 33101 (BC REC); *Elliott (Re)*, 2011 CanLII 57884 (BC REC); and *Westwin Realty Ltd (Re)*, 2010 CanLII 49595 (BC REC).
72. I have found no authority for the proposition that a licensee fails to act with reasonable care and skill in failing to provide an updated property disclosure statement where there is no evidence they have knowledge or ought to have had knowledge that the property disclosure statement is inaccurate or where the buyers have not requested an updated property disclosure statement. Again, if the Buyers had wanted a more recent disclosure statement, it was incumbent on them to ask for one.
73. I therefore find that [Applicant 88] did not fail to act with reasonable care and skill in failing to obtain an updated property disclosure statement and allowing the PDS to become part of the Contract. On the evidence before me, that is a failing of the Buyers and their agent, if there was a failing at all.

Procedural Fairness

74. I have decided, in this matter, to resolve the allegations on their substance and in favour of [Applicant 88]. I therefore decline to comment on the issues of procedural fairness raised by [Applicant 88] in this proceeding.

Penalty Amount

75. [Applicant 88] makes various arguments regarding the severity of his conduct in light and the propriety of the sanction. Given I have found that his conduct did not contravene section 34 of the Rules as alleged, I also decline to address these arguments.

Conclusion

76. I find that [Applicant 88] did not contravene section 34 of the Rules as alleged in the NOAP.
77. I cancel the NOAP.
78. I note that [Applicant 88] also made submissions seeking to have the NOAP and these reasons anonymized. [Applicant 88] will have 14 days from the date of these reasons to confirm if he is continuing to seek anonymization and to provide supplementary submissions in that regard, if any. If he confirms he wishes to pursue anonymization and makes no further submissions, I will treat his initial submissions on the issue to be his entire submission on the issue. If he does not confirm he wishes to pursue anonymization, I will consider his request withdrawn.

DATED at North Vancouver, BRITISH COLUMBIA, this 6th day of March, 2026.

“Original signed by Gareth Reeves”

Gareth Reeves
Hearing Officer