CITATION: Bains (Re), 2026 BCRMB 7

Date: 2026-07-13

File # INV23.320.61407

BC FINANCIAL SERVICES AUTHORITY

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

AND

IN THE MATTER OF

GURSHER SINGH BAINS
(REGISTRATION NO. 502063)

CONSENT ORDER

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

[This Order has been redacted before publication.]

WHEREAS Gursher Singh Bains ("**G Bains**") was at all material times registered as a submortgage broker under the *Mortgage Brokers Act*, RSBC 1996, c 313 ("**MBA**");

AND WHEREAS the Registrar of Mortgage Brokers (the "**Registrar**") issued a First Amended Notice of Hearing to G Bains, on May 14, 2026 (the "**First Amended Notice of Hearing**");

AND WHEREAS the following agreement has been reached between G Bains and the staff of the Registrar ("**Staff**");

AND WHEREAS the Registrar agrees to the following terms of a consent order:

FINDINGS

The Registrar makes the following findings against G Bains, and G Bains accepts the following findings made against him:

1. In his capacity of submortgage broker, G Bains conducted mortgage business in British Columbia in a manner prejudicial to the public interest, contrary to section 8(1)(i) of the MBA, with respect to one or more of the mortgage applications listed in Schedule "A" of the First Amended Notice of Hearing, by doing one or more of the following:

    a. failing to deal with borrowers directly and instead relying on a third party to gather information in support of the mortgage applications;

    b. failing to take sufficient, or any steps to verify the accuracy of the income information and income-supporting documentation he submitted to lenders;

c. submitting misleading income information, and falsified tax and banking documents to lenders in support of the mortgage applications, when he ought to have known that those documents were false and did not represent the true income of the borrowers; or

d. misleading lenders with respect to borrowers' employment and use of property when he ought to have known that the information was inaccurate.

ORDERS AND PENALTY

Pursuant to sections 4, 6(9) and 8(1.2) of the MBA, G Bains hereby consents to, and the Registrar hereby makes the following orders:

1. G Bains, currently unregistered, is not eligible to apply and agrees not to re-apply for registration, either as a mortgage broker, submortgage broker, or any similar capacity under the MBA or any successor or replacement legislation governing the regulation of mortgage brokering in British Columbia, and acknowledges that the Registrar will not accept an application for registration by G Bains under the MBA or any successor or replacement legislation governing the regulation of mortgage brokering in British Columbia;
2. G Bains shall pay an administrative penalty in the amount of $25,000 within three (3) months from the date of this Order;
3. G Bains shall pay investigation costs in the amount of $5,000 within three (3) months from the date of this Order; and
4. All amounts are immediately due and payable, and all payments must be made by cheque, bank draft, or money order, payable to BC Financial Services Authority ("**BCFSA**"). This order may be filed with the court pursuant to the MBA, and steps to enforce this order may be taken if payment is not made in full within three (3) months.

AGREED FACTS

As a basis for this Consent Order, G Bains acknowledges the following facts as correct and makes the following admissions:

I. REGISTRATION HISTORY

1. G Bains was first registered as a submortgage broker on June 23, 2016 and from June 17, 2020 to May 13, 2022 was registered as a submortgage broker with 0952130 BC Ltd dba Mortgage Architects – A Better Way.
2. On March 21, 2022, G Bains incorporated 1354302 BC Ltd and was at all material times the sole director.
3. On May 13, 2022, G Bains registered with 1354302 BC Ltd dba Dominion Lending Centres A Better Way – Gary Bains Mortgages (the "**Brokerage**") and was the designated individual and the director of the Brokerage, from its inception until he wound up the Brokerage and voluntarily terminated his registration with the Registrar on December 2, 2025.

II. INITIAL INVESTIGATION

4. The investigation was initiated after BCFSA became aware of a November 9, 2023 Civil Resolution Tribunal decision indexed as *Whittome v Bains*, 2023 BCCRT 974 (the "**CRT Decision**").

5. The CRT Decision found G Bains to be negligent while acting in his capacity as a submortgage broker for his clients in attempting to secure a mortgage for their purchase of a property and was ordered to pay $5,000 in damages, plus interest and costs.

6. The investigation by BCFSA into the mortgage transaction that was the subject of the CRT Decision found the following:

   a. G Bains received a mortgage application and supporting documents for the mortgage transaction through an intermediary and did not communicate directly with the borrowers to verify their income, employment, or application information and submitted the application to the bank without having contacted the borrowers.

   b. The application submitted by G Bains did not accurately disclose that the subject property was a manufactured (mobile) home.

   c. G Bains did not communicate with the borrowers to review the mortgage commitment, its terms and conditions, or the risks associated with the outstanding appraisal condition prior to their removal of subjects.

   d. Following an appraisal confirming the property was a manufactured home, the bank withdrew financing, and G Bains advised the borrowers that no alternative financing solutions were available prior to closing.

   e. Due to the failed financing, the clients had to pay to the sellers a $5,000 non-refundable deposit to obtain an extension on their closing date in hopes of obtaining a mortgage, which they eventually did on their own without the assistance of G Bains.

III. INVESTIGATION OF ADDITIONAL MORTGAGE FILES

7. BCFSA expanded its investigation to include a review of eight additional mortgage files that were randomly selected from the total number of mortgage transactions completed by G Bains between May 2022 and April 2024.

Transaction A – [Borrower 1], [Borrower 2], [Borrower 3] ([Redacted])

8. On January 22, 2024, G Bains submitted the mortgage application to the lender for the purchase of the property located at [Property 1], Langley, British Columbia, seeking mortgage financing for the borrowers [Borrower 1] ("**[Borrower 1]**"), [Borrower 2] ("**[Borrower 2]**"), and [Borrower 3] ("**[Borrower 3]**").

9. The mortgage application contained materially false information, including inflated employment income and incorrect employment details for [Borrower 1] and [Borrower 2].

10. The mortgage file maintained by G Bains and the lender included T1 Generals, Notices of Assessment, employment letters, paystubs, and financial statements purporting to support the reported income. However, subsequent verification by BCFSA established that these documents were not authentic. [Borrower 1]'s tax preparer confirmed that the T1 returns and financial statements were not prepared by their office and contained inaccurate information. [Borrower 2]'s employer similarly confirmed that the T4 and paystub in the file were not genuine and that his actual income was materially lower.

11. Income documentation obtained directly from the borrowers showed substantially lower income than what was reported in the mortgage application.

12. [Borrower 1] confirmed that he had no dealings with G Bains, did not recognize the mortgage application or supporting documents, and did not provide or authorize the use of the income documents contained in the mortgage file.

13. G Bains advised BCFSA that the file was likely received through a referral source, that he did not communicate directly with the borrowers or review the application with them, and that he did not verify the accuracy of the information or supporting documents with the borrowers, their employer, or their accountant and relied on the referral source.

<u>Transaction B – [Borrower 4] and [Borrower 5] ([Redacted])</u>

14. On June 1, 2022, G Bains submitted the mortgage application to the lender, for an equity take out on the borrower's property located at [Property 2], Surrey, British Columbia, initially seeking financing for [Borrower 4] ("**[Borrower 4]**") and his wife [Borrower 5] ("**[Borrower 5]**").

15. The application materially overstated [Borrower 4]'s income and was supported by T1 Generals and Notices of Assessment for 2020 and 2021 that reflected similarly inflated income figures.

16. Verification by BCFSA established that the income documentation submitted to the lender was false. The purported tax preparer confirmed that while it had filed taxes for [Borrower 4], the T1 documents contained in the mortgage file were not prepared by them. Authentic tax records provided directly by [Borrower 4] showed significantly lower income.

17. [Borrower 4] advised BCFSA that he did not recognize the mortgage application or the supporting tax documents contained in the mortgage file, confirmed that they were not the documents he provided, and stated that the application materially misstated his occupation and exaggerated his income. He further confirmed that he had no dealings with G Bains and that G Bains did not contact him to obtain consent, verify information, or confirm the accuracy of the application.

18. G Bains advised BCFSA that he did not recall the transaction, could not explain the source of the information submitted to the lender, and acknowledged that he did not verify tax documentation with the accountant or take steps to confirm its accuracy with the client.

<u>Transaction C – [Borrower 6] ([Redacted])</u>

19. In or about December 2023, G Bains submitted the mortgage application to the lender for a mortgage on a property located at [Property 3], Kelowna, British Columbia, seeking financing for the borrower, [Borrower 6] ("**[Borrower 6]**").

20. The application submitted materially overstated [Borrower 6]'s self-employment and was supported by T1 Generals, Notices of Assessment, and bank statements indicating substantial income and assets.

21. Verification by BCFSA established that the income and financial documentation submitted to the lender was false. The purported tax preparer for the documents confirmed that it did not prepare the 2021 tax return and that the 2022 T1 contained in the mortgage file did not match its records. Authentic tax records obtained from both the accountant and [Borrower 6] showed significantly lower income and identified his occupation as food delivery, not construction/home improvement as stated in the application.

22. The bank statements contained in the mortgage file were also materially inaccurate, reflecting large balances whereas [Borrower 6]'s genuine statements showed balances under $3,000 during the same period.

23. [Borrower 6] confirmed that he did not provide or recognize the tax documents or bank statements contained in the mortgage file, had not seen the mortgage application, and had no contact with G Bains, but rather dealt with a third party. He further confirmed that G Bains did not verify any information with him.

24. G Bains admitted that the application was likely sourced from a referral partner, that he may not have contacted the borrower directly, and that he did not take steps to verify the accuracy or authenticity of the income documents, including by contacting the tax preparer.

Transaction D – [Borrower 7] and [Borrower 8] ([Redacted])

25. On or about May 29, 2023, G Bains submitted the mortgage application bearing file number [redacted] to the lender for a mortgage on a property located at [Property 4], Surrey, British Columbia for the borrowers [Borrower 7] ("**[Borrower 7]**") and [Borrower 8] ("**[Borrower 8]**").

26. The application materially misstated [[Borrower 7]'s income and included supporting documents in the mortgage file, T1 Generals, Notices of Assessment, a bank statement, and a down payment gift letter, that corroborated the inflated financial position.

27. Subsequent verification by BCFSA established that the income and financial information submitted was false. [Borrower 7]'s tax preparer confirmed that the T1 documents contained in the mortgage file did not match their records and that [Borrower 7]'s actual 2021 income was much lower. Records provided directly by [Borrower 7] to BCFSA confirmed substantially lower income for both 2021 and 2022 and a significantly lower bank balance than reflected in the documents submitted with the application.

28. [Borrower 7] confirmed that multiple key aspects of the mortgage application were inaccurate, including his income, employment history, assets, and other personal financial information. He further advised that he did not recognize or provide several of the supporting documents contained in the mortgage file, including the tax documents, bank statements and a down payment gift letter.

29. G Bains advised BCFSA that he did not recall the transaction, he did not verify the tax information with [Borrower 7]'s accountant, and did not review the mortgage application or supporting documentation with the borrowers to confirm its accuracy.

Transaction E – [Borrower 9] and [Borrower 10] ([Redacted])

30. On or about July 14, 2023, G Bains submitted a mortgage application to the lender for a mortgage on a property located at [Property 5], Coquitlam, British Columbia for borrowers [Borrower 10] ("**[Borrower 10]**") and [Borrower 9] ("**[Borrower 9]**").

31. The mortgage application submitted materially overstated [Borrower 9]'s self-employment income and the mortgage file maintained by G Bains and the lender contained T1 Generals, Notices of Assessment, and financial statements that supported the inflated income figures.

32. Subsequent verification by BCFSA with the borrowers' purported tax preparer established that [Borrower 9]'s actual reported income was significantly lower. [Borrower 9]'s authentic tax documents and Notices of Assessment provided directly to BCFSA were consistent with the accountant's records and inconsistent with the documents contained in the mortgage file.

33. [Borrower 9] advised BCFSA that he had provided his financial documents to G Bains but did not recognize the income documents contained in the mortgage file and confirmed that they were not the documents he supplied, as they materially inflated his income. He further stated that G Bains did not review the mortgage application with him or verify the accuracy of the information submitted.

34. G Bains admitted that he submitted the information provided to the lender without independently verifying the tax documentation with the borrowers' accountant.

<u>Transaction F – [Borrower 11] ([Redacted])</u>

35. On April 4, 2022, G Bains submitted a mortgage application to the lender on behalf of [Borrower 11] for a mortgage on a property located at [Property 6], Delta, British Columbia, representing that the property would be her principal residence and "100% owner occupied." However, he later acknowledged that the borrower was uncertain whether the property would be used as a residence or an investment. Despite this uncertainty, the application was not updated or qualified to reflect the true intention, resulting in a material misrepresentation to the lender about the intended use of the property.

<u>Transaction G – [Borrower 11] ([Redacted])</u>

36. On May 16, 2022, G Bains submitted a second mortgage application for [Borrower 11] for a mortgage on a property located at [Property 7], Vancouver, British Columbia, again representing that the property would be her principal residence and owner occupied. He failed to disclose the existence of the earlier TD mortgage application and resulting liability, thereby withholding material information about the borrower's financial obligations. G Bains later admitted he may have forgotten to notify the lender and did not take steps to correct or update the occupancy representation.

<u>Transaction H – [Borrower 12] and [Borrower 13] ([Redacted])</u>

37. On April 20, 2022, G Bains submitted a mortgage application to a lender for the purchase of a property located at [Property 8], Surrey, British Columbia, seeking financing of $489,280 on behalf of the borrowers [Borrower 12] ("**[Borrower 12]**") and [Borrower 13] ("**[Borrower 13]**").

38. The application falsely represented that [Borrower 12] was employed as a network administrator earning approximately $96,000 annually, and included supporting documents such as a letter of employment, paystubs, and T4 slips reflecting consistent income at that level.

39. G Bains also submitted additional mortgage applications for the same borrowers to three other lenders containing materially inconsistent information between the applications. In those applications, [Borrower 12] and [Borrower 13] were represented as working in the trucking industry with different income amounts and employment histories, and higher mortgage amounts were requested. Conflicting borrower information was provided to different lenders in respect of the same transaction.

40. Subsequent investigation revealed that [Borrower 12] was not employed as a network administrator and the director for that company confirmed there was no record of [Borrower 12]'s employment and the purported income documentation appeared to be fabricated.

41. [Borrower 12] advised BCFSA that at the relevant time he was working in a warehouse and as a self-employed delivery driver and that he did not ever deal with G Bains, but rather with a third party.

42. During an interview, G Bains was unable to explain the discrepancies between the multiple applications submitted or the origin and accuracy of the income documentation. He acknowledged that he did not independently verify the borrower's employment or income with the purported employer.

IV. GENERAL ADMISSIONS AND PRACTICES

43. G Bains admitted that, in multiple transactions, he relied on referral sources or third parties to obtain borrower information and documentation.

44. G Bains admitted that he did not independently verify borrower income, employment, or supporting documentation prior to submitting mortgage applications to lenders.
45. G Bains acknowledged that he did not contact borrowers directly in all transactions.
46. G Bains acknowledged that he did not confirm the authenticity of tax documents, Notices of Assessment, or employment records with third parties such as accountants or employers.
47. In the mortgage files reviewed, information he submitted to lenders included income figures, employment details, and supporting documentation that were inaccurate, inconsistent with third-party records, and/or not recognized by borrowers.
48. G Bains does not have a discipline history.

WAIVER

G Bains waives his right to a hearing under ss 4 and 8 of the MBA and waives his right to appeal under s 9 of the MBA.

Approved as to form and content by:

"Original signed by Gursher Bains"

________________________________ this __9th____ day of _____July___________, 2026.
GURSHER SINGH BAINS

"Original signed by Simon Adams"

________________________________ this _10th____ day of _____July___________, 2026.
Simon Adams
Legal Counsel for the Staff of the Registrar of Mortgage Brokers

Issued this _13th___ day of _____July____________, 2026 at Victoria, British Columbia.

"Original signed by Jonathan Vandall"

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Jonathan Vandall
Acting Registrar of Mortgage Brokers
Province of British Columbia