

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 120]
([Licence Number])

AND

[Licensee 1] ([Licence Number])

**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: Andrew Pendray

Introduction

1. On July 15, 2026, the BC Financial Services Authority (“BCFSA”) issued a Notice of Administrative Penalty (the “NOAP”) in the amount of \$1,000 to [Applicant 120] (“[Applicant 120]”) and [Licensee 1] pursuant to section 57(1) and 57(3) of the *Real Estate Services Act*, RSBC 2004, c 42 (“RESA”).
2. In the NOAP, BCFSA determined that [Applicant 120] and [Licensee 1] had contravened section 93.1 of the *Real Estate Services Rules*, BC Reg 209/2021 (the “Rules”) by failing to respond to a 2026 Real Estate Brokerage Data Call (the “2026 Data Call”) by the April 17, 2026 deadline in the manner prescribed by the Superintendent of Real Estate (the “superintendent”) or at all.
3. [Applicant 120] and [Licensee 1] 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 July 15, 2026 NOAP should be cancelled or confirmed.

Jurisdiction and Standard of Proof

5. This application for reconsideration is brought pursuant to section 57(4) of RESA, which requires 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, the tabs thereto, and the information provided by [Applicant 120] and [Licensee 1] in the application for reconsideration. I intend the following to provide some background to the circumstances and to provide context for my reasons. I do not intend it to be a recitation of all the information before me.

Regulatory History

10. [Applicant 120] was first licensed as a brokerage¹ in the trading and rental property management services category in September 2003. It additionally was licensed in the strata management services category in February 2009, and has remained licensed in all of those categories since that date.
11. [Licensee 1] was first licensed as a representative in the trading services and rental property management services categories on August 25, 1993. He has largely been licensed since that date, with very brief periods unlicensed in 1997, 2001, and 2003. Since September 24, 2003, [Licensee 1] has been licensed as a managing broker with [Applicant 120] (and its predecessor, [Brokerage 1]).
12. [Applicant 120] and [Licensee 1] have no formal discipline history of which I am aware. They were issued a letter of advisement on May 15, 2025 for failing to comply with a data call issued under section 93.1 of the Rules in early 2025. That letter of advisement advised [Applicant 120] and [Licensee 1] that failure to comply with future data calls could result in the issuance of administrative penalties without further warning. As the conduct underlying the letter of advisement was not the subject of formal regulatory action, I do not consider it proof that [Licensee 1] or [Applicant 120] previously contravened the Rules, but I do consider the letter to demonstrate that they were explicitly warned of the requirement to respond to data calls issued under section 93.1 of the Rules and the consequences of failing to respond.

The 2026 Data Call

13. On December 10, 2025, the superintendent published the following:
 - a. An advisory regarding the 2026 Data call for managing brokers, associated brokers, and brokerages licensed to provide trading services advising that they were required to participate in the 2026 Data Call seeking information on sales of residential properties with

¹ Initially as [Brokerage 1], and subsequently as [Applicant 120].

a firm date between February 15, 2026 and March 14, 2026, and regarding Home Buyer Recission Period (“HBRP”) recissions during the 2025 calendar year. The advisory noted that if there were no transactions to report, all brokerages and managing brokers were still required to report a “NIL” submission. The advisory further indicated that submissions were due on or before April 17, 2026, and that submissions were required to be submitted through BCFSA’s online Integrated Regulatory Information System portal (“IRIS”).

Finally, the advisory noted that a failure to respond to the Data Call could attract administrative penalties, and provided links to various pieces of information including the associated regulatory statement.

- b. A 2026 Real Estate Brokerage Data Call information webpage explaining the purpose of the 2026 Data Call and advising of a webinar to be held on February 10, 2026 regarding the 2026 Data Call.
 - c. A regulatory statement, 2026 Real Estate Brokerage Data Call Requirements, RESA-25-016 (the “Regulatory Statement”), which explained that the 2026 Data Call was made pursuant to section 93.1 of the Rules and applied to all brokerages licensed to provide trading services. The Regulatory Statement provided that submissions were due on or before April 17, 2026, specified the required contents of the submissions, and indicated that brokerages were required to submit their submissions through IRIS. The Regulatory Statement also stated:

If a brokerage (other than members of the GVR Board) has no real estate transactions to report, the managing broker(S) must still complete a NIL submission in the IRIS portal.

All brokerages and managing brokers (regardless of whether they are members of the GVR Board) are still required to report data on the use of the HBRP for the 2025 calendar year. If a brokerage does not have any relevant information to provide, the brokerage/managing broker(s) must make a NIL submission reporting no recissions in the IRIS portal.
14. On January 21, 2026, BCFSA emailed out a Broker’s Brief to managing brokers, which included information regarding the 2026 Data Call. This email reminded managing brokers of the deadline for submissions, and the requirement to provide a NIL response even if the brokerage had no transactions or recissions to report on. It also reminded recipients of the February 10, 2026 webinar that BCFSA planned to hold on the 2026 Data Call.
 15. On January 22, 2026, BCFSA published a 2026 Real Estate Brokerage Data Call Instructions webpage which included: a link to a step-by-step guide on how to submit and how to troubleshoot common errors, links and instructions for submitting the required workbooks, and a reminder of the April 17, 2026 deadline and that mandatory compliance was required.
 16. On February 10, 2026 BCFSA held a webinar regarding the 2026 Data Call, and made the slides and a recording of the webinar available on BCFSA’s website. The slides for the webinar explained how to complete the required submissions, including how to input the required information into the required spreadsheet workbooks and how to make the required submissions through IRIS. This included a reiteration of the requirement to enter a NIL submission, and the fact that non-compliance may result in an administrative penalty or other enforcement action.
 17. On February 17, 2026, the opening day for submissions for the 2026 Data Call, BCFSA emailed [Licensee 1] two IRIS service requests for the 2026 Data Call. Each request included a link to appropriate service request, and noted the April 17, 2026 deadline for the submission to be completed.
 18. On February 19, 2026, and again on March 19, 2026, BCFSA emailed all managing brokers a Brokers’ Brief. The February 19, 2026 Brokers’ Brief noted that the 2026 Data Call was open for

submissions, that deadline for submissions of April 17, 2026, that submissions were mandatory, that submissions were required to be provided through IRIS, and that submissions were required even where there were no transactions or rescissions to report. The March 19, 2026 Brokers' Brief reiterated the information provided on February 19, 2026, and noted that even if there were no transactions to report a NIL submission was required in order to comply with the 2026 Data Call.

19. On April 10, 2026 BCFSA sent two emails to [Licensee 1] reminding him of the previous service requests sent to him, that his submissions had not yet been submitted, and noting that the submissions were due on April 17, 2026. Those emails again provided the link to the IRIS portal for submissions.
20. On April 13, 2026 BCFSA emailed [Licensee 1] to indicate that his submission for service request SR210170 had been received on that date. [Licensee 1]'s submission in that regard related to the request for submissions on sales of residential properties.
21. On April 16, 2026, BCFSA sent out a Final Reminder email regarding the 2026 Data Call, noting that the data call was mandatory, and related to both a "Brokerage Transaction Data Call" and a Home Buyer Rescission Period Data Call.
22. [Applicant 120] and [Licensee 1] did not provide a submission in response to the 2026 Data Call relating to HBRP rescissions.

Submissions

23. In his submission, [Licensee 1] indicated that he appreciated the importance of complying with BCFSA reporting requirements and that he had always attempted to cooperate with those requirements. He requested that the administrative penalty either be cancelled or reduced in recognition of his good faith efforts to comply with the data call.
24. With respect to the 2026 Data Call, [Licensee 1] indicated that he had completed the brokerage transaction data call through the IRIS portal, and that after doing so he had believed that [Applicant 120's] reporting obligations were complete. He indicated that he had been unaware that the IRIS portal required a second, separate service request to be submitted for the HBRP data call, even in cases where there were no reportable rescissions.
25. [Licensee 1] indicated that he (and [Applicant 120]) had not intended to withhold information, or to ignore the requirements of the data call. He indicated that had he understood that a separate NIL submission was required, he would have completed the same immediately. [Licensee 1] submitted that his misunderstanding related to the mechanics of the reporting process rather than any unwillingness to provide the requested information.
26. [Licensee 1] submitted that his failure to comply had not involved any consumer harm, trust accounting issues, misconduct, or any failure to protect the public. Rather, he submitted that the circumstances that led to the notice of administrative penalty were best described as an administrative reporting oversight arising from his belief that the required reporting had already been completed.
27. [Licensee 1] noted that he had continued to improve his administrative processes since receiving the letter of advisement in respect of the 2025 Data Call, and submitted that going forward he had implemented additional internal procedures to ensure each required reporting component is independently verified before any filing deadline.

28. Reasons and Findings

Applicable Legislation

29. Section 56 of RESA provides that BCFSA may designate specific provisions of RESA, the *Real Estate Services Regulation* (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.
30. 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.
31. 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 93.1 of the Rules is placed in Category A. Section 27(1) of the Rules provides that a contravention of a section designated in Category A may attract a \$1,000 administrative penalty for a first contravention or \$2,000 for a subsequent contravention.
32. 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.
33. Section 93.1 of the Rules states as follows:

Records or information provided on request

- 93.1** As requested by the superintendent and in accordance with any requirements specified by the superintendent, a licensee must provide to the superintendent records or information, including personal information, in the possession or control of the licensee.

Analysis

34. The imposition of an administrative penalty under section 57 of RESA is a discretionary decision. A request to reconsider the imposition of an administrative penalty requires a Hearing Officer to consider not only whether a contravention of RESA, the Regulations, or the Rules has occurred, but also whether a licensee exercised due diligence, that is: took reasonable steps or precautions, to prevent the contravention of the designated sections identified in the notice of administrative penalty. A Hearing Officer may also consider information on any extenuating circumstances that prevented compliance, or any other information the licensee believes a Hearing Officer should consider.
35. At the outset, I note the NOAP alleges a contravention of section 93.1 of the Rules against [Licensee 1] and [Applicant 120]. Section 93.1 empowers the superintendent to request information from licensees and to specify the requirements for the response. The details and the requirements of the 2026 Data Call were specified in the Regulatory Statement. That instrument required “all brokerages and managing brokers” to submit certain information with regard to sales with a firm date between a certain range and Home Buyer Rescission Period rescissions in calendar year 2025. As the Regulatory Statement imposes requirements on both the brokerage and the managing broker (in this case [Licensee 1]), I am satisfied that the contraventions can properly be considered against both [Licensee 1] and [Applicant 120], and that this case can be distinguished from *Applicant 27 (Re)*, 2025 BCSRE 148, which related to a 2025 regulatory statement which did not impose a specific requirement on managing brokers.

36. The Regulatory Statement specified that the superintendent required [Licensee 1] and [Applicant 120] to provide certain information, and to provide that information by way of a submission through IRIS. It further specified that if a brokerage had no information to report in relation to either the firm sales or the rescissions, the superintendent required a submission through IRIS reporting no transactions.
37. [Licensee 1] provided the required information with regard to sales, through IRIS, on April 13, 2026.
38. At no point did [Licensee 1] or [Applicant 120] provide a NIL response regarding the HBRP rescissions.
39. As a result, I find that [Applicant 120] and [Licensee 1] failed to provide the response to HBRP rescissions in accordance with the requirements specified by the Superintendent in the Regulatory Statement, in that it did not provide any information. I therefore find that [Licensee 1] and [Applicant 120] did not comply with section 93.1 of the Rules.

Due Diligence

40. The remaining question is whether the respondents exercised due diligence to prevent their non-compliance.
41. As set out above, [Licensee 1] described the failure to comply section 93.1 of the Rules, as it related to the HBRP portion of the Regulatory Statement, as being an inadvertent procedural misunderstanding and that he had acted in good faith and believed he had fulfilled the reporting requirements.
42. The difficulty with [Licensee 1]'s submission in this regard lies in the fact that after he had completed the required reporting for sales transactions on April 13, 2026, he received a final reminder email from BCFSa informing him that BCFSa had not yet received his 2026 Data Call submission. That April 16, 2026 email came on the heels of the reminder email for the HBRP portion of the data call that was sent to [Licensee 1] and [Applicant 120] on April 10, 2026. It is important to note that [Licensee 1] in fact received two reminder emails requesting that he complete 2026 Data Call submissions on April 10, 2026. Each of those emails specifically indicated what they were for, one being for submissions on sales transactions, and one being for submissions of HBRP information. Once again, while [Licensee 1] completed the required submission related to the reminder email that indicated that it was for the "2026 Real Estate Brokerage Transaction Data Call", he did not complete the required submission related to the reminder email that indicated that it was for the "2026 HBRP Data Call".
43. Further, the April 10, 2026 reminder emails related to the two previous February 17, 2026 emails from BCFSa to [Applicant 120] and [Licensee 1] requesting submissions on both the "2026 HBRP Data Call" and the "2026 Real Estate Brokerage Transaction Data Call". Each of those February 17, 2026 emails provided separate service request numbers and separate links for providing the required submission.
44. Given the circumstances described above, in which the superintendent provided two separate email requests for submissions on two separate topics, and two separate reminder emails regarding each of those requested submissions, I consider that a diligent licensee would have been aware that there were two separate data calls and submissions required by the superintendent. In my view, the various documents published by the superintendent, including the Regulatory Statement, as well as the emails providing the links for the separate data calls, make clear that two submissions were required.
45. Even if I were to accept that [Licensee 1] had genuinely taken the two February 17, 2026 emails as requesting a single submission, the reality is that after he had completed the April 13, 2026

submission on sales transactions, he received the subsequent April 16, 2026 final reminder email, which ought to have made him aware that his belief that he had satisfied the 2026 Data Call requirements was mistaken.

46. [Licensee 1] has provided no evidence that he took any steps after receiving the April 16, 2026 final reminder email to ensure that his required submissions were in fact complete, or that there was not some error. Nor does he deny having received that April 16, 2026 final reminder email.
47. In my view, it was incumbent upon [Licensee 1] and [Applicant 120] to ensure that they had properly understood and responded to the 2026 Data Call requirements; which requirements I consider to have been clear in any event. The information published by the superintendent repeatedly indicated the need for a NIL report where that was appropriate, and the emails requesting submissions made clear that two separate submissions were required. Finally, given that [Licensee 1] has provided no evidence that he took any steps to address the April 16, 2026 final reminder email in order to ensure that he had in fact properly completed his submissions, I find that he has not established that he exercised due diligence with respect to his compliance with section 93.1 of the Rules.

Penalty Amount

48. The penalty amount issued in the NOAP is \$1,000. That is the prescribed amount for a first contravention of a section of the Rules designated in Category A, which includes section 93.1 of the Rules.
49. [Licensee 1] took no significant steps to ensure that [Applicant 120] had complied with its reporting requirements after completing the reporting on the brokerage sales transactions. [Applicant 120] was repeatedly warned that a failure to make the required filing could be subject to an administrative penalty. Further, [Applicant 120] and [Licensee 1] were previously cautioned by BCFSA regarding a previous alleged failure to comply with section 93.1 and warned that a future contravention could attract an administrative penalty.
50. In my view, the minimum monetary administrative penalty available under the current regime is appropriate to address the conduct in this case.

Conclusion

51. I find that [Licensee 1] and [Applicant 120] contravened section 93.1 of the Rules by failing to provide its submission in response to the 2026 Data Call in accordance with the requirements of the superintendent specified in the Regulatory Statement, specifically with respect to the reporting requirements in respect of the HBRP.
52. I find that [Licensee 1] and [Applicant 120] have not established that they exercised due diligence in attempting to comply with section 93.1 of the Rules.
53. I find that the \$1,000 administrative penalty was appropriate.
54. I therefore confirm the \$1,000 administrative penalty.

55. The \$1,000 administrative penalty is now due and payable by [Applicant 120] and [Licensee 1] to BCFSa.

DATED at Kelowna, BRITISH COLUMBIA, this 10th day of September, 2026.

“Original signed by Andrew Pendray”

Andrew Pendray
Senior Hearing Officer