

BC FINANCIAL
SERVICES AUTHORITY

IN THE MATTER OF THE
Mortgage Brokers Act,
RSBC 1996, c. 313 as amended

AND

IN THE MATTER OF RICKY KANWAL

AND

ZYNTERRA CAPITAL CORPORATION

(Pursuant to sections 8, 8 (1.2), and 8 (1.4) of the *Mortgage Brokers Act*)

CONSENT ORDER

WHEREAS Ricky Kanwal ("Mr. Kanwal") was a registered submortgage broker from July 16, 2013, and his registration terminated on July 20, 2017;

WHEREAS Zynterra Capital Corporation ("Zynterra"), was registered as a mortgage broker from July 21, 2015 and its registration was terminated on July 20, 2017, at all material times Mr. Kanwal was the sole director and officer, and the designated individual registered with Zynterra;

WHEREAS the Registrar of Mortgage Brokers (the "Registrar") issued a Notice of Hearing to Mr. Kanwal and Zynterra on January 24, 2018;

WHEREAS the following agreement has been reached between Mr. Kanwal, Zynterra, and the Staff of the Registrar (the "Staff");

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

A. FINDINGS

1. The Registrar makes the following findings against Mr. Kanwal and Mr. Kanwal accepts the following findings made against him:
 - a) Mr. Kanwal conducted business in a manner that is prejudicial to the public interest contrary to section 8(1)(i) of the *Mortgage Brokers Act* (the "Act") in that from December 2015 to November 2016 Mr. Kanwal facilitated the unregistered mortgage broker activities of [REDACTED] [REDACTED] also known as [REDACTED] in respect of 15 borrowers and 39 mortgage applications by:

- i. Permitting ██████ to direct the course of mortgage applications, including taking instructions from ██████ regarding the appropriate lender to submit mortgage applications to, the employment and income information of borrowers, and the personal information of borrowers;
 - ii. Accepting personal information, employment information and supporting documents, Canada Revenue Agency T1 General income Tax and Benefit Returns ("T1 Generals"), Canada Revenue Agency Notices of Assessment ("NOAs"), and Confirmation of Investment Statements ("COI Statements") from ██████ without verifying their accuracy or authenticity;
 - iii. Submitting to lenders personal information, employment information and supporting documents, T1 Generals, NOAs, and COI Statements, as provided by ██████ when he knew or ought to have known that the documents were not genuine and the personal and employment information was false;
 - iv. Continuing to facilitate ██████ unregistered mortgage broker activity and submit mortgage applications to lenders on behalf of ██████ borrowers even after being informed by other lenders that the T1 Generals and NOAs, provided by Mr. Kanwal by ██████ were not genuine in respect of 13 borrowers and 33 mortgage applications;
 - b) Mr. Kanwal conducted business in a manner that is prejudicial to the public interest contrary to section 8(1)(i) of the Act in that from November 2015 to October 2016 Mr. Kanwal facilitated the unregistered mortgage broker activities of Nasir Aziz Ansari ("Mr. Ansari") in respect of two borrowers and two mortgage applications by:
 - i. Permitting Mr. Ansari to direct the course of the mortgage applications, including taking instructions from Mr. Ansari to conduct a credit check and to input information on a mortgage application including employment and income information and personal information;
 - ii. Accepting personal information, employment information and supporting documents, T1 Generals, NOAs, and TD Bank COI Statements from Mr. Ansari, without verifying their accuracy or authenticity;
 - c) Mr. Kanwal conducted business in a manner that is prejudicial to the public interest contrary to section 8(1)(i) of the Act in that he submitted various documents to lenders including: NOAs, T1 Generals, COI Statements and/or bank history printouts, and employment and income information (together the "Documents and Information") to lenders in support of 17 borrowers and 41 applications for mortgages when he knew that the Documents and Information were not genuine; and
2. The Registrar makes the following findings against Zynterra Capital Corporation, and Zynterra Capital Corporation accepts the following findings made against it:
 - a) Zynterra Capital Corporation conducted business in a manner that is prejudicial to the public interest contrary to section 8(1)(i) of the Act in that Zynterra paid amounts in excess of

\$1,000.00 to Mr. Ansari and [REDACTED] for arranging mortgages, when neither Mr. Ansari nor [REDACTED] were registered to do so contrary to sections 21 and 8(1.4) of the Act.

B. ORDERS AND PENALTY

Pursuant to sections 8, 4, and 6(9) of the Act, Mr. Kanwal and Zynterra hereby consent to, and the Registrar hereby makes the following orders:

1. Mr. Kanwal (currently unregistered) is not eligible to apply, and agrees to never re-apply for registration under the Act as either a mortgage broker or a submortgage broker, and the Registrar will not accept an application for registration by Mr. Kanwal under the Act;
2. Pursuant to section 6(9) of the Act, Mr. Kanwal will pay partial investigative costs of \$10,000; and
3. All payments will be made by cheque, bank draft, or money order payable to the BC Financial Services Authority and all amounts outstanding thirty (30) days following execution of this Order will represent a debt owing and be subject to interest pursuant to the *Financial Administration Act*, RSBC 1996, c. 138.

C. AGREED FACTS

As a basis for this Consent Order, Mr. Kanwal and Zynterra acknowledge the following facts as correct and makes the following admissions:

1. Mr. Kanwal was registered as a submortgage broker from July 16, 2013 until July 20, 2017. He was last registered as Zynterra from July 21, 2015 until July 20, 2017.
2. Zynterra was incorporated on July 2, 2015 under incorporation number BC1041611. Mr. Kanwal is the sole director and officer and is the only designated individual ever registered with Zynterra. Zynterra was registered as a mortgage broker on July 21, 2015 and its registration was terminated on July 20, 2017.
3. Neither [REDACTED] nor Nasir Aziz Ansari have ever been registered under the Act.
4. On January 28, 2016, Staff of the Registrar of Mortgage Brokers ("Staff") received a complaint from a representative of a lender which alleged that Mr. Kanwal had submitted Canada Revenue Agency documents to the lender in support of a borrower's mortgage application which appeared to not be genuine.
5. Staff received a second complaint from a different lender in May of 2016, which alleged that Mr. Kanwal had submitted a Guaranteed Investment Certificate Statement that appeared not to be genuine.
6. Mr. Kanwal admits that he facilitated the unregistered mortgage broker activities of both Mr. Ansari and [REDACTED] as set out in paragraphs A.1(a) and (b) above, in respect of a total of 17 borrowers and 41 mortgage applications to various lenders.
7. Mr. Kanwal admits that he permitted Mr. Ansari to:
 - a) meet with borrowers and collect and review personal and financial information;

- b) determine the course of the mortgage application by directing terms of the mortgage to be applied for, accepting information regarding the loan to value of the mortgage, the potential loan amount, the amount of rental income received by the borrower, direct that a credit check to be conducted for borrowers; and
 - c) collaborated with Mr. Ansari and submitted a business authorization on behalf of borrowers that he knew was false and collaborated with Mr. Ansari to submit other false income information on behalf of borrowers.
8. Mr. Kanwal admits that regarding [REDACTED] he:
- a) Took instructions from [REDACTED] regarding the appropriate lender to submit applications to, and accepted employment, income and other personal information from borrowers from [REDACTED]
 - b) Permitted [REDACTED] to meet with borrowers and collect and review personal and financial information; and
 - c) Did not verify the accuracy or authenticity of the personal information, employment information and supporting documents, T1 Generals, NOAs, and COI Statements, and submitted the Documents and Information to lenders when he knew or ought to have known that the Documents and Information were false and not genuine.
9. In seven instances, Mr. Kanwal was in possession of different versions of income tax documents that had various income amounts attributed to them. For example, in one file Mr. Kanwal was in possession of three different versions of a borrower's 2013 T1 General with an income ranging from \$18,861 to \$92,969. For the same borrower, Mr. Kanwal was in possession of two different 2013 Notices of Assessment where the total income amounts were \$69,791 and \$92,211. Mr. Kanwal also possessed two different versions of the borrowers 2014 T1 General where the total income ranged from \$15,602 to \$92,969.
10. In several of the borrower's mortgage applications, COI Statements and bank history statements were found to be not genuine, and employment and income information were found to be inaccurate.
11. Mr. Kanwal admits that he submitted false and misleading Documents and Information that were not genuine to various lenders on behalf of [REDACTED] and Mr. Ansari's borrowers, and further admits that he knew or ought to have known that the Documents and Information submitted to lenders were false.
12. Mr. Kanwal has no discipline history with the Registrar and assisted the Registrar with related investigations.
13. Zynterra Capital Corporation and Mr. Kanwal admit that they paid both [REDACTED] and Mr. Ansari amounts in excess of \$1000 for arranging mortgages when neither [REDACTED] nor Mr. Ansari were registered to do so.

D. WAIVER

Mr. Kanwal and Zynterra waive their rights to a hearing under sections 4 and 8 of the Act and waive their right to appeal under section 9 of the Act.

Approved as to form and content by:

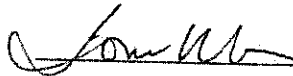


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_____ this 16th day of April, 2020

CHILWIN CHENG

Counsel for Ricky Kanwal and
Zynterra Capital Corporation

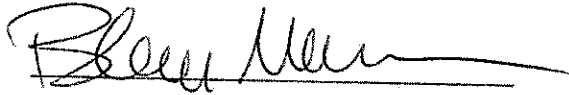


_____ this 20 day of April, 2020

JONI WORTON

Legal Counsel for the Staff of the
Registrar of Mortgage Brokers

Issued this 21st day of April, 2020, at Vancouver, British Columbia.



BLAIR MORRISON

Registrar of Mortgage Brokers
Province of British Columbia

