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

- AND -

IN THE MATTER OF MANA ERFANI

CONSENT ORDER

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

WHEREAS MANA ERFANI ("Ms. Erfani") was first registered as a submortgage broker with [REDACTED] under the *Mortgage Brokers Act*, [RSBC 1996] Chapter 313 (the "Act") until June 3, 2015;

AND WHEREAS at all material times, Ms. Erfani was registered with Origin Home Financial Partners Inc. dba: Dominion Lending Centres Origin, and her registration expired on June 3, 2017;

AND WHEREAS the Registrar of Mortgage Brokers (the "Registrar") issued a Notice of Hearing (the "Notice of Hearing") pursuant to section 8 and 8(1.2) of the Act to Ms. Erfani on June 27, 2019;

AND WHEREAS the following agreement has been reached between Ms. Erfani and the Staff of the Registrar (the "Staff"), and the Registrar makes the following findings and agrees to the following terms of a Consent Order:

A. FINDINGS

The Registrar makes the following findings against Ms. Erfani, and Ms. Erfani accepts the following findings made against her:

1. In her capacity as a submortgage broker, Ms. Erfani conducted mortgage business in British Columbia in a manner prejudicial to the public interest, contrary to section 8(1)(i) of the Act, in that from June 2015 to July 2017, Ms. Erfani:
 - a. Facilitated the unregistered mortgage broker activities of Jay Kanth Chaudhary, also known as: Jay Kumar, Mike Kumar, George Desona, (together "Chaudhary") by submitting or permitting 20 mortgage applications ("Mortgage Applications"); and income and banking documents (including bank statements) and employment information including Notices of Assessments, T1 General Income Tax and Benefit Returns, (together the "Supporting Documents") to be submitted to

lenders on behalf of Chaudhary in respect of 18 borrowers (the "Borrowers") in that Ms. Erfani did not take instructions from the Borrowers and did not meet with the Borrowers.

- b. Submitted or permitted Mortgage Applications to be submitted through her Filogix account to lenders on behalf of 18 Borrowers, together with Supporting Documents in support of the Mortgage Applications of one or more of the Borrowers when;
 - i. Ms. Erfani ought to have known that some or all of the information in the Mortgage Applications was inaccurate or misleading; and
 - ii. Ms. Erfani ought to have known that some or all of the Supporting Documents were not genuine.

B. ORDERS AND PENALTY

Pursuant to sections 8, 4, and 6(9) of the Act, Ms. Erfani hereby consents to, and the Registrar hereby makes the following orders:

1. Ms. Erfani (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 Ms. Erfani under the Act;
2. Pursuant to section 6(9) of the Act, Ms. Erfani shall pay partial investigation costs in the amount of \$15,000; 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, Ms. Erfani acknowledges the following facts as correct and makes the following admissions:

1. Ms. Erfani was at all material times registered as a submortgage broker with Origin Home Financial Partners Inc. dba: Dominion Lending Centres Origin.
2. At all material times, [REDACTED]. Chaudhary is the subject of a Cease and Desist Order issued by the Registrar on May 23, 2019 found at bcfsa.ca/pdf/enforcement/mb/mba20190529.pdf.
3. Ms. Erfani provided her passwords to her computers, email, and Filogix account to Chaudhary. Ms. Erfani's Filogix account was used for the purpose of submitting mortgage applications to lenders under her name. Ms. Erfani did not take steps to protect or secure her passwords.

4. Filogix is a computer software program used by many mortgage brokers in British Columbia to send mortgage applications to lenders for approval.
5. Ms. Erfani's brokerage sent Ms. Erfani summaries of all transactions that were approved and funded to Ms. Erfani, and Ms. Erfani received all commissions from the lenders in relation to the subject mortgage broker applications that were funded. Therefore, Ms. Erfani ought to have known that her Filogix account was being used to submit mortgage applications on her behalf. Ms. Erfani did not receive any payments directly from the Borrowers.
6. From approximately June 2015 to July 2017, 20 Mortgage Applications on behalf of 18 Borrowers were submitted to various lenders from Ms. Erfani's Filogix account.
7. Ms. Erfani did not meet with or take instructions from the Borrowers. Many of the Borrowers stated that they did meet with Chaudhary or with a person believed to be an alias of Chaudhary. All of the mortgage applications were submitted on behalf of the Borrowers through Ms. Erfani's Filogix account.
8. A number of the Mortgage Applications were supported using bank statements that were altered or for accounts that did not belong to the Borrowers. In all instances where the Borrowers were summonsed to provide their bank statements, their true running balance were significantly lower than the running balance shown on the bank statement that was submitted to the lender. For instance, one bank statement submitted to a lender showed a balance that ranged between approximately \$144,000 and \$150,000. When the borrower provided a copy of their bank statement for the same account and almost identical time period to Staff, the balance ranged between a negative balance of approximately \$16 to a positive balance of approximately \$8,000.
9. In numerous files, income was overstated and supported by altered documents. In one case, Staff obtained one borrower's true Notices of Assessment for two consecutive years. These documents indicated an income of just over \$5,000 for one year and the subsequent year a total income of \$890. However, the Notices of Assessment for the same years, submitted to the lender showed a total income of over \$86,000 and \$96,000 respectively. That borrower's mortgage application was approved by the lender and the borrower obtained over \$465,000 in mortgage financing.
10. In another mortgage application, Staff obtained one borrower's true Notices of Assessment for two consecutive years. These documents indicated a negative income of approximately \$9,000 for one year and the subsequent year a total income of approximately \$3,000. However, the Notices of Assessment for the same years, submitted to the lender showed a total income of over \$124,000 and approximately \$132,000 respectively. That borrower's mortgage application was approved by the lender and the borrower obtained approximately \$300,000 in mortgage financing.
11. For other borrowers, Staff confirmed with tax preparers who were named on the T1 General Income Tax and Benefit Return that they did not prepare the T1 General Income Tax and Benefit Return submitted to lenders through Ms. Erfani's Filogix account.

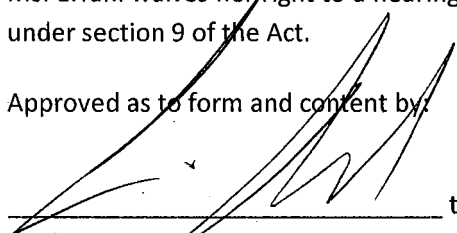
12. For each of the 18 Borrowers and 20 Mortgage Applications, the income was either overstated, Supporting Documents were demonstrably altered or not genuine, or other information provided to lenders was false.

13. Ms. Erfani has no prior disciplinary history with the Registrar.

D. WAIVER


Ms. Erfani waives her right to a hearing under sections 4 and 8 of the Act and waives her right to appeal under section 9 of the Act.

Approved as to form and content by:


_____ this 23rd day of August, 2020.

OWAIS AHMED


Counsel for Mana Erfani


_____ this 26th day of August, 2020.

JONI WORTON

Legal Counsel for the Staff of the
Registrar of Mortgage Brokers

Issued this 27th day of August, 2020, at Vancouver, British Columbia.



Blair Morrison, Registrar of Mortgage Brokers
Province of British Columbia