



IN THE MATTER OF THE MORTGAGE BROKERS ACT
R.S.B.C. 1996, c. 313

-AND-

KEITH ALLAN COOK

CONSENT ORDER

The following agreement having been reached between and consented to by Keith Allan Cook ("Cook"), and the Staff of the Registrar of Mortgage Brokers ("Staff"), the Registrar of Mortgage Brokers (the "Registrar") agrees to the following terms of a consent order:

A. ORDERS

Cook consents to, and the Registrar makes, the following orders that:

1. Cook shall pay an administrative penalty in the amount of **\$25,000.00** immediately upon execution of this Order, pursuant to section 8(1.1) of the *Mortgage Brokers Act*, RSBC 1996, c.313 (the "*Act*").
2. Cook shall pay costs of the investigation in the amount of **\$10,000.00** immediately upon execution of this Order, pursuant to section 6(9) of the *Act*.
3. Pursuant to s.8(1)(d) of the *Act*, for the two-year period immediately following the date of this Order, Cook shall not act as a Designated Individual of any mortgage brokerage in British Columbia.

4. Pursuant to s.8(1)(d) of the *Act*, Cook consents to be audited by the Registrar's staff for compliance with his duties and responsibilities as a registrant, on a semi-annual basis, for two years from the date of this Order. The focus of those audits shall be limited to files generated by Mr. Cook after the date of this consent order. Cook shall bear the cost of these audits, being Staff's time (at a rate of \$80.00/hour) as well as associated travel expenses, to a maximum total cost of \$2,500 per audit, including accommodation expenses. Staff shall provide Cook with an accounting of time spent on each audit, as well as associated travel costs. Cook, and the Designated Individual of the mortgage brokerage which employs him, will be given one week's notice of any audit.
5. Pursuant to section 8(1)(d) of the *Act*, Cook shall take and complete *The Applied Information Course* offered by the Mortgage Broker Association of British Columbia within 12 months of the date of this Order.

B. FACTS AND ADMISSIONS

Background

1. Cook has been a registered submortgage broker in British Columbia, with few periods of interruption, since December 20, 2001.
2. Cook has been a submortgage broker with Verico Lighthouse Mortgage Corporation ("Lighthouse"), in the Victoria branch, since January 29, 2007, save for a 4-week interruption in 2009.
3. Cook has been a director of Lighthouse since February 28, 2007.

Breaches

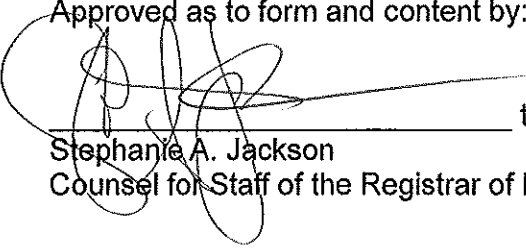
4. Cook engaged in conduct prejudicial to the public interest contrary to s.8(1)(i) of the *Act* when he:
 - (a) Submitted several mortgage applications to lenders without disclosing that the client:
 - a.i. Was concurrently seeking financing to purchase other properties; and/or

- a.ii. Owned other properties, the existence of which Cook ought to have been aware of,
- (b) Submitted mortgage applications to lenders indicating that the home(s) being financed would be owner-occupied when he ought to have known that they would not be.
 - (c) Submitted a mortgage application to a lender indicating that the borrower had moved to Vancouver Island from Surrey, British Columbia when he knew that the borrower would be moving to Vancouver Island approximately seven weeks later.
 - (d) Inadvertently failed to amend the Form 11 given to a lender to disclose that his client was refinancing their property in part to pay out a promissory note issued by Lighthouse, a company of which Cook is a director, giving him a direct interest in the transaction. The original Form 11 was provided to the lender before the funds were advanced.
 - (e) Failed to disclose to lenders the existence of possible conflicts of interest where the vendor and borrower's employer were controlled by the same person and/or where the borrower and his/her employer (who verified income) were related.
 - (f) Failed to meet or speak to the client to verify the information found on a mortgage application given to him by a third party.
 - (g) Completed mortgage applications concurrently where the client's income varied on equity and stated income loan applications.

C. WAIVER

6. Cook waives his right to a hearing under section 8(1) of the Act and waives his right to an appeal under section 9 of the Act.

Approved as to form and content by:

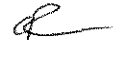

Stephanie A. Jackson

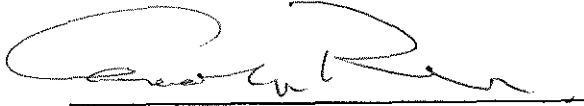
Counsel for Staff of the Registrar of Mortgage Brokers

this 4 of May, 2012.

And by:


_____, this 25th of April, 2012.
Keith Allan Cook

Dated at the
City of ~~Surrey~~, VANCOUVER, 
Province of British Columbia
this 10th day of May 2012.



Carolyn Rogers
Registrar of Mortgage Brokers
Province of British Columbia