



Financial
Institutions
Commission

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

And

Margaret Schulz and W.I. Mortgage Pros Ltd. doing business as
Dominion Lending Centres Mortgage Pros

CONSENT ORDER

The following agreement has been reached between Margaret Schulz ("Schulz") and W.I. Mortgage Pros Ltd. doing business as Dominion Lending Centres Mortgage Pros ("WI") and the Registrar of Mortgage Brokers (the "Registrar").

A. Orders:

Schulz and WI consent to and the Registrar makes the following orders:

1. Pursuant to section 8(1) of the *Mortgage Brokers Act*, R.S.B.C. 1996, c. 313 (the "Act"), Schulz shall not be eligible to apply for registration for a period of five (5) years after the date of execution of this Order.
2. Pursuant to section 8(1.1) of the *Act*, Schulz and WI, jointly and severally, shall pay an administrative penalty in the amount of \$37,500.00.
3. Pursuant to section 6(9) of the *Act*, Schulz and WI, jointly and severally, shall pay investigation costs in the amount of \$5,000.00, immediately upon execution of this Order.
4. All payments will be made by cheque, bank draft or money order payable to the Ministry of Finance 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*, R.S.B.C. 1996, c. 138.
5. Schulz will not be considered for registration unless and until the penalty and costs in this Order are paid, in full. This term is not intended to limit in any way the Registrar's ability to enforce the terms of this Order.

Registrar of Mortgage Brokers

2800-555 West Hastings Street
Vancouver, BC V6B 4N6
Telephone: 604-660-3555
Facsimile: 604-660-3365
<http://www.fic.gov.bc.ca>

B. Facts and Admissions:

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

Background

1. Schulz had been almost continuously registered as a submortgage broker in British Columbia from July 5, 2005 to March 31, 2015.
2. Verico Mortgage Pros Ltd., or WI, was incorporated in February 4, 2008 and changed its name to WI on September 4, 2009.
3. Schulz was registered as a submortgage broker with WI and was the sole director of WI from March 19, 2008 to March 31, 2015.
4. In and around 2009 and 2010, Schulz was a close business associate of [REDACTED] ("RF") and was aware of RF's mounting debts with respect to properties he was involved in as well as the decreasing value of those properties.
5. On January 6, 2011, Schulz and WI executed a consent order to pay an administrative penalty pursuant to s. 8(1.1) of the *Act* and investigation costs pursuant to s. 6(9) of the *Act* for failure to appropriately handle trust funds, pursuant to the *Regulations*, and failure to respond to the Staff of the Registrar's inquiries, contrary to s. 8(1)(i) of the *Act*.
6. On March 27, 2015, Schulz endorsed a Statutory Declaration Respecting Wind-up of Mortgage Broker, terminating WI's mortgage broker registration.

Breaches

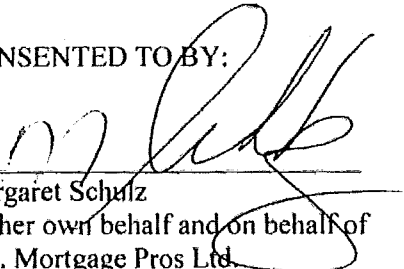
7. Schulz conducted business in a manner prejudicial to the public interest and contrary to s. 8(1)(i) of the *Act* when she:
 - a. Failed to provide proper disclosure and information to an unsophisticated client in relation to a mortgage transaction involving RF, pursuant to sections 17.1 to 17.4 of the *Act*.
 - b. Submitted several mortgage applications to lenders without disclosing that the client:
 - i. Was concurrently seeking financing to purchase other properties and/or
 - ii. Owned other properties, the existence of which Schulz was or ought to have been aware of.

- c. Submitted mortgage applications to lenders on behalf of borrowers on the basis that the properties would be owner-occupied by the borrower, when it was known or ought to have been known that the properties would not be owner-occupied.
- d. Failed to disclose to lenders the existence of conflicts of interest and possible conflicts of interest, including family and employment relationships between the borrower and vendor of the property.
- e. Completed and submitted mortgage applications concurrently where the client's income varied on applications to different lenders.
- f. Misstated facts to staff of the Registrar in response to their inquiries.


C. Waiver:

Schulz 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*.

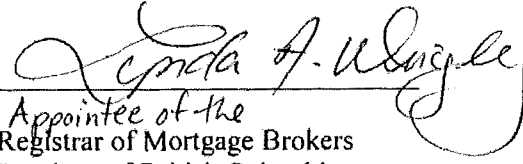
CONSENTED TO BY:


Margaret Schulz
On her own behalf and on behalf of
W.I. Mortgage Pros Ltd.

APPROVED AS TO FORM AND CONTENT:


Tina Patbhakar
Legal Counsel to the Staff of the
Registrar of Mortgage Brokers

Issued this 22 day of May 2015
at West Vancouver, British Columbia


Appointee of the
Registrar of Mortgage Brokers
Province of British Columbia