

BC FINANCIAL SERVICES AUTHORITY

**IN THE MATTER OF THE *REAL ESTATE SERVICES ACT*,
SBC 2004, c 42 as amended**

AND

IN THE MATTER OF

**JAGMEET SINGH KHABRA
(174115)**

AND

**JAG KHABRA PERSONAL REAL ESTATE CORPORATION
(174115PC)**

NOTICE OF ADMINISTRATIVE PENALTY

[This Notice has been redacted before publication.]

The Superintendent of Real Estate (the "Superintendent") of the BC Financial Services Authority ("BCFSA") provides this Notice of Administrative Penalty (the "Notice") pursuant to sections 57(1) and (3) of the *Real Estate Services Act*, SBC 2004, c 42 ("RESA").

TAKE NOTICE that the Superintendent is satisfied that you have contravened one or more rules designated as subject to administrative penalties under section 56(1)(a) of the RESA and section 26 of the *Real Estate Services Rules* (the "Rules"), collectively, the "Designated Rules".

TAKE NOTICE the Superintendent is imposing the following administrative penalties based on your having contravened the Designated Rules:

1. Rule: 34 [*duty to act with reasonable care and skill*]; **First contravention:** Yes; **Penalty:** \$5,000.00
Details: From about February to about September 2017, you failed to act with reasonable care and skill when you failed to provide notice in writing in the approved form of the nature of your representation of [Sellers 1] (the "Sellers") in the marketing and sale of their residential home at [Property 1], Surrey, BC (the "Property") and the prospective buyers of the Property (the "Prospective Buyers") in advance of providing them real estate services to the Sellers and Prospective Buyers, respectively.
2. Rule: 30(a) [*act in the best interests of the client*]; **First contravention:** Yes; **Penalty:** \$5,000.00
Details: From about February to about September 2017, while in an express or implied agency relationship with the Sellers, you failed to act in the best interests of the Sellers in the marketing and sale the Property when, while providing them trading services in relation to four offers to purchase the Property, you failed to represent their best interests in the negotiation of the sale of the Property by negotiating against them; failed to fully advise them of the content of offers to purchase the Property, the reasons for the terms included therein, and the risks associated with those terms; failed to advise them

of the risks of executing a contract to sell the Property; failed to fully or adequately advise them of the risks of attempting to withdraw from a contract to sell the Property; and engaged in a conflict of interest by representing the Prospective Buyers.

3. Rule: 30(i) [*take reasonable steps to avoid any conflict of interest*]; **First contravention:** Yes; **Penalty:** \$5,000.00

Details: From about February to about September 2017, you failed to take reasonable or any steps to avoid a conflict of interest when you formed an express or implied agency relationship with the Sellers while also providing real estate services to and on behalf of the Prospective Buyers, including presenting the Prospective Buyers' offers and negotiating the terms of those offers with the Sellers.

4. Rule: 30(j) [*promptly and fully disclose any conflict of interest to the client*]; **First contravention:** Yes; **Penalty:** \$5,000.00

Details: Between about February to about September 2017, you failed to promptly and fully disclose your conflict of interest between the Sellers and the Prospective Buyers while providing them both real estate services.

(collectively the "Contraventions").

Total administrative penalties: \$20,000.00

TAKE FURTHER NOTICE you may respond to this Notice by requesting an opportunity to be heard as follows (a "Reconsideration Request"):

- a. *Time limit:* You must deliver any Reconsideration Request so that BCFSA receives it within thirty (30) calendar days of the date you received this Notice (the "Response Deadline").
- b. *Format:* A Reconsideration Request must be in writing.
- c. *Content:* A Reconsideration Request should explain how you exercised due diligence to prevent contravention of the Designated Rules. You may also provide any other information you believe the Superintendent should consider.
- d. *Delivery:* A Reconsideration Request may be delivered by email to APreconsiderations@bcfsa.ca and/or delivered to BCFSA's offices at 600 – 750 West Pender Street, Vancouver, BC V6C 2T8 (Attention: Legal Services – Reconsiderations)

The date you received this Notice is the earliest date on which

- the Superintendent personally served you with the Notice (s 57(3)(a) or (b) of the RESA);
- the Superintendent provided "substituted service" by a method provided for in a court order (s 12 of the RESA); or
- the Superintendent provided this Notice to Canada Post for delivery to your mailing address (ss 18 and 19 of the Rules). This will normally also be the day it was emailed to you.

If BCFSA receives your Reconsideration Request by the Response Deadline, the Superintendent will consider your Reconsideration Request, and may cancel or confirm each of the administrative penalties. If BCFSA confirms an administrative penalty, payment is due immediately.

TAKE FURTHER NOTICE if you fail to deliver a Reconsideration Request by the Response Deadline, you are deemed to acknowledge your having contravened the specified Designated Rules (s 57(2)(d) of the RESA).

TAKE FURTHER NOTICE that unless you deliver a Reconsideration Request by the Response Deadline, you must pay the administrative penalties within thirty (30) calendar days of the date you received this Notice. The Reconsideration Request may be by email or otherwise in writing, and should attach or include information respecting the due diligence exercised to avoid the contravention, any extenuating circumstances that prevented compliance, and any other information that you wish BCFSa to consider.

Dated this 14th day of September, 2022 at the City of Vancouver, British Columbia.

Superintendent of the BC Financial Services Authority

“JONATHAN VANDALL”

Per: Jonathan Vandall
Delegate of the Superintendent of Real Estate
Province of British Columbia