



THE MANITOBA
SECURITIES
COMMISSION

THE MORTGAGE BROKERS ACT)
)
Section 11(1))

Order No. 2789

September 9, 2020

KAMALDEEP GREWAL

WHEREAS:

(A) On November 5, 2019, The Manitoba Securities Commission (the "Commission") issued a notice of hearing (the "Notice of Hearing") of staff for a hearing (the "Hearing") under subsection 5(1) of *The Mortgage Brokers Act* (the "MBA") to consider, *inter alia*, whether or not it is in the public interest to order pursuant to subsection 5(1) of the MBA that the registration of Kamaldeep Grewal ("GREWAL") as a salesperson under the MBA be suspended or cancelled.

(B) Staff of the Commission and GREWAL entered into a Settlement Agreement (a copy of which is attached as Schedule "A") dated September 8, 2020 ("Settlement Agreement"), which proposed settlement of this hearing matter, subject to the approval of the Commission;

(C) GREWAL has consented to the issuance of this Order and has waived his right to a full hearing;

(D) On September 9, 2020, the Commission held a hearing ("Settlement Hearing") to consider whether or not to approve the Settlement Agreement;

(E) At the Settlement Hearing, the Commission approved the Settlement Agreement and the Commission is of the opinion that it is in the public interest to make this order.

IT IS ORDERED:

1. **THAT** the Settlement Agreement, Schedule "A", is hereby approved.
2. **THAT** a one month suspension of registration pursuant to section 5(1) of the MBA begin November 30, 2020, with the final day of the suspension to be December 29, 2020.
3. **THAT** Grewal will pay to the Commission costs in the amount of Three Thousand Five Hundred (\$3,500.00) Dollars on or before December 29, 2020. Payment of this amount is a condition of registration.

Securities Division

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A DIVISION OF THE MANITOBA FINANCIAL SERVICES AGENCY

4. **THAT** Grewal will provide confirmation that a voluntary payment in the amount of One Thousand Five Hundred (\$1,500.00) Dollars was made to the complainants in this matter.

5. **THAT** conditions of registration as determined by the Registrar for one year beginning the day after the suspension of registration is concluded.

6. **THAT** a course of education as acceptable to the Registrar to be completed within one year after the day the suspension of registration is concluded.

BY ORDER OF THE COMMISSION



Director

SCHEDULE "A"

SETTLEMENT AGREEMENT

BETWEEN:

KAMALDEEP GREWAL

and

STAFF OF THE MANITOBA SECURITIES COMMISSION

The Manitoba Securities Commission
500 - 400 St. Mary Avenue
Winnipeg, MB R3C 4K5

**In the Matter of The Mortgage Brokers Act
C.C.S.M. c. M210**

and

**In the Matter of KAMALDEEP GREWAL, CHARMAINE HERNANDEZ AND
MANEET SINGH JASSAL**

Settlement Agreement

- 1.0 Staff of The Manitoba Securities Commission and Kamaldeep Grewal ("Grewal") have reached the following agreement:

Introduction

- 2.0 On November 5, 2019, The Manitoba Securities Commission (the "Commission") issued a notice of hearing (the "Notice of Hearing") of staff for a hearing (the "Hearing") under subsection 5(1) of *The Mortgage Brokers Act* (the "MBA") to consider, *inter alia*:
- a) whether or not it is in the public interest to order pursuant to subsection 5(1) of the MBA that the registration of Grewal as a salesperson under the MBA be suspended or cancelled;
 - b) whether or not Grewal be required to pay the costs of and incidental to the hearing;
 - c) such further and other orders as the Commission may deem appropriate.
- 2.1 Discussions have been held between Grewal and Staff of The Manitoba Securities Commission ("Staff") to settle the matters covered in the Notice of Hearing and Statement of Allegations (the "Proceedings"). A settlement (the "Settlement") has been reached based on the terms and conditions set forth herein.
- 2.2 Pursuant to the Settlement, Staff agrees to recommend to the Commission that the Proceedings initiated against Grewal be resolved and disposed of under the terms and conditions of this Agreement. Grewal consents to the Settlement and to the Consent Order referred to in section 6 below.

Statement of Facts

- 3.0 Grewal acknowledges the following facts as correct:
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- 3.1 On or about June 9, 2016, C.B. and A.B. were introduced to Grewal by Maneet Singh Jassal ("Jassal") and Charmaine Hernandez at the office of Grewal's employing mortgage broker, Mortgage Architects.
- 3.2 C.B. and A.B. filled out and signed an application for mortgage financing and provided Grewal with their financial information.
- 3.3 On or about June 10, 2016, Grewal performed a credit check and received credit reports for C.B. and A.B.
- 3.4 On or about June 10, 2016, Grewal contacted Jassal, C.B. and A.B.'s realtor, and advised Jassal that he would not be able to obtain mortgage approval for C.B. and A.B. because their credit scores were too low.
- 3.5 On or about June 13, 2016, Grewal received from Jassal a copy of the Offer to Purchase (the "OTP") which had been signed by C.B. and A.B. for the purchase of 458 Matheson Avenue from SRENA Homes. The purchase price on the OTP was \$291,000 less a \$1,000 deposit. The listed amount of the mortgage to be arranged was \$276,450.00.
- 3.6 On or about June 14, 2016, Grewal called Jassal and advised Jassal that C.B. and A.B. could not be approved for a mortgage until their credit scores had improved.
- 3.7 On or about June 29, 2016, C.B. received a letter signed by Grewal on Mortgage Architects letterhead which stated that C.B. and A.B. had been approved for the purchase of a home with a value of up to \$291,000 with a 5% down payment. This letter was addressed to Jassal.

Acknowledgments

- 4.0 Grewal acknowledges that he:
 - 4.1 made a false statement under the MBA by writing and signing a mortgage approval letter for C.B. and A.B. without processing the application for mortgage financing or getting approval from a financial institution or lender;
 - 4.2 failed in his primary duty to protect and promote the best interests of his clients C.B. and A.B.;

and that his conduct was contrary to the public interest.

Undertaking

- 5.0 Grewal undertakes and agrees to the following:
- 5.1 A one month suspension of registration pursuant to section 5(1) of the MBA to begin November 30, 2020, with the final day of the suspension to be December 29, 2020.
- 5.2 Grewal will pay to the Commission costs in the amount of Three Thousand Five Hundred (\$3,500.00) Dollars on or before December 29, 2020. Payment of this amount is a condition of registration.
- 5.3 Grewal will provide confirmation that a voluntary payment in the amount of One Thousand Five Hundred (\$1,500.00) Dollars was made to the complainants in this matter.
- 5.4 Conditions of registration as determined by the Registrar for one year beginning the day after the suspension of registration is concluded.
- 5.5 A course of education as acceptable to the Registrar to be completed within one year after the day the suspension of registration is concluded.

Order


- 6.0 Grewal consents to an order by the Commission (the "Order") that:
- 6.1 The Agreement be approved; and
- 6.2 The approval of this Agreement and the making of the Consent Order as set out in this Settlement Agreement shall be sought at a public hearing, in camera.

Waiver and Procedure for Approval of Settlement

- 7.0 Staff and Grewal agree that, if the Commission approves this Agreement, it will constitute the entirety of the evidence to be submitted to the Commission in connection with the Proceedings, and that Grewal hereby waives his right to a full hearing and appeal of this matter.
- 7.1 If for any reason whatsoever the Commission does not approve this Agreement or the Consent Order referred to above is not made by the Commission, Staff will be entitled to proceed with the Hearing commenced by the Notice of Hearing unaffected by this Agreement or the settlement discussions. If this Agreement is not approved or the Commission does not make the Consent Order set out above, either Staff or Grewal will not raise in the Proceedings or in any other proceeding the terms of the Agreement.
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- 7.2 Staff and Grewal agree that if the Commission approves this Agreement and the Consent Order is made upon the terms set out in this Agreement, this Agreement will be a public document.
- 7.3 Grewal agrees that he will not raise in any proceedings this Agreement or the negotiation or process of approval of this Agreement as a basis for an attack on the Commission's jurisdiction, alleged bias, alleged unfairness, or any other challenges that may be available.
- 7.4 Grewal agrees that if the Commission approves this Agreement and the Consent Order is made upon the terms set out in this Agreement, Grewal will not make any statements inconsistent with the terms of this Agreement.
- 7.5 Grewal further agrees to make himself available to testify if called at the Hearing of these Proceedings against Charmaine Hernandez and/or Maneet Sing Jassal.

DATED at Winnipeg, Manitoba, this 06 day of Sep, 2020.


 Witness


 Kamaldeep Grewal

DATED at Winnipeg, Manitoba, this 8th day of September, 2020.

Staff of The Manitoba Securities Commission

per: 
 Director