

THE REAL ESTATE COUNCIL OF ALBERTA

Case Number: 02497
Name on Licence: Nathan Fornataro
Licence Type & Class: Mortgage Broker
Brokerage Name on Licence: Dominion Lending Centres Equity Central Inc.
O/A Dominion Lending Centres Equity Central
Process: Section 39 & 83 of the *Real Estate Act*

Document: ADMINISTRATIVE PENALTY
Penalty: \$ 1,500.00 (see Schedule 5 of the Bylaws)

Payment

This Penalty must be paid **within 30 days** of the date this Notice was issued.

If you fail to pay the Penalty the Registrar may commence collection under Part 6 of the *Real Estate Act* and may suspend your licence under section 38.1 of the Rules.

If you pay the Penalty

- You will have satisfied the Administrative Penalty and no further proceedings under Part 6 will be taken against you.
- You cannot be charged under the *Real Estate Act* with an offence for the contravention(s) in this Administrative Penalty.

TO: Nathan Fornataro

The Registrar of the Real Estate Council of Alberta (RECA) has determined there is sufficient evidence you have contravened **section 67(1)(e) of the *Real Estate Act Rules*** and this is conduct deserving of sanction.

67(1)(e) – A mortgage broker must ensure the business of the brokerage is carried out competently and in accordance with the Act, the Bylaws, and these Rules;

Particulars of the contravention(s):

1. Starting July 2022 and carrying through November 2024, you failed to maintain insurance against errors and omissions, contrary to section 67(1)(e) of the *Real Estate Act* Rules:
 - a) From July 1, 2022, to August 30, 2022, Dominion Lending Centres Equity Central Inc. did not maintain insurance against errors and omissions, during which period 22 transactions were conducted by the business.
 - b) From July 1, 2023 to December 7, 2023, Dominion Lending Centres Equity Central Inc. did not maintain insurance against errors and omissions, during which period 45 transactions were conducted by the business.
 - c) From July 1, 2024 to November 1, 2024, Dominion Lending Centres Equity Central Inc. did not maintain insurance against errors and omissions, during which 39 transactions were conducted by the business.
 - d) These lapses are a breach of the mortgage broker requirements detailed section 118(2) of the *Real Estate Act* Rules, resulting in a contravention of 67(1)(e) as the mortgage brokerage's business was not carried out in accordance with the Rules.

The Registrar considered the following aggravating and mitigating factors:

Aggravating Factors

- Lapses in errors and omissions insurance coverage occurred three times over three years.
- Dominion Lending Centres Equity Central Inc. carried on business during the lapses, resulting in 106 transactions worth of uninsured liability for errors and omissions.

Mitigating Factors

- You cooperated with our review of the lapses and readily provided information regarding the dates and duration of the lapses.
- You have taken action to prevent these lapses from occurring again.

Appeal

You have the right to appeal this Administrative Penalty to a Hearing Panel. See **section 83.1 of the *Real Estate Act*** for what you must do to appeal.

In an appeal you will be given a full opportunity consistent with procedural fairness and natural justice to present evidence before the Hearing Panel in relation to the contraventions alleged.

Your written notice of appeal must comply with section 83.1 and must be received by the Registrar **within 30 days** of you receiving this Administrative Penalty.

If you appeal, payment of the Penalty will not be required until an order to pay a penalty is issued by the Hearing Panel. If you have any questions regarding particulars or the appeal process, please contact:

Name: [N.Z], Investigator
Email: [EMAIL]
Phone: 403.228.2954; Toll Free: 1.888.425.2754
Fax: 403.228.3065
Address: Real Estate Council of Alberta
Suite 202, 1506 11 Avenue SW
Calgary, Alberta, T3C 0M9

Issued at Calgary, Alberta, on March 10, 2024.

"Signature"

Warren Martinson, Registrar
Real Estate Council of Alberta