



THE MANITOBA  
SECURITIES  
COMMISSION

**IN THE MATTER OF: THE REAL ESTATE BROKERS ACT**

**-and-**

**IN THE MATTER OF: BANKIM PATEL**

**STATEMENT OF ALLEGATIONS OF STAFF OF  
THE MANITOBA SECURITIES COMMISSION**

STAFF OF THE MANITOBA SECURITIES COMMISSION ("Commission") ALLEGE THAT:

**A. REGISTRATION**

1. Bankim Patel ("Patel") is a resident of the City of Winnipeg, in the Province of Manitoba.
2. At all material times Patel was registered as a salesman under The Real Estate Brokers Act. ("REBA").
3. Patel is presently registered as a salesman under REBA.

**B. DETAILS**

**V.G. and M.D.**

1. On or about May 9, 2016, V.G. and M.D. made an offer to purchase a taxi cab business from N.P. (the "seller").
2. Patel acted as a broker between V.G./M.D. and the seller in connection with the sale of the taxi cab business.
3. V.G./M.D. offered to purchase the taxi cab business for \$450,000.00 of which Patel was to receive a \$150,000.00 commission for acting as a broker for this transaction.
4. The seller accepted the OTP on or about May 10, 2016.
5. Patel requested V.G. to provide a \$10,000.00 cheque payable to the seller for the deposit for the purchase of the taxi cab business. Patel also requested that V.G. provide Patel with \$10,000.00 cash, which Patel advised was also for the deposit on the purchase of the taxi cab business. V.G. provided these monies to Patel.
6. Patel provided the \$10,000.00 cheque to the seller but did not provide him the \$10,000.00 cash given to by Patel by V.G. The seller was unaware Patel had

requested the \$10,000.00 cash from V.G.

7. On May 11, 2016, Patel met with V.G. and stated the seller was not satisfied with the \$20,000.00 deposit and that the seller requested a further \$10,000.00 cash. V.G. provided Patel the further \$10,000.00 cash as requested.

8. On May 12, 2016, Patel met with V.G. and indicated the seller was still not satisfied and requested a further \$10,000.00 cash.

9. V.G. refused to give Patel any further money. Patel told V.G. if he gave him \$5,000.00 cash, V.G. would be able to get the taxi cab business for the price of \$400,000.00

10. V.G. no longer wished to proceed with the purchase and asked for this money back.

11. The cheque provided by V.G. was returned to him.

12. Patel obtained a bank draft for \$20,000.00 to pay V.G. the \$20,000.00 cash provided by V.G. The funds for this draft came from a client of Patel's, P.R., whom Patel approached to provide this money. P.R. did not know at this time these monies were being given to V.G..

13. V.G. did not accept the draft and wanted \$20,000.00 cash, as he provided to Patel.

14. Patel subsequently took P.R. to three bank branches to withdraw \$20,000 cash. P.R. gave these monies to Patel. Patel gave the \$20,000.00 cash to V.G.'s sister as V.G. was not in the City at that time.

15. The seller did not request a further deposits of \$20,000.00 cash as Patel told V.G. and the seller did not receive the \$20,000.00 cash provided to Patel by V.G.

16. It is unknown what Patel did with the \$20,000.00 cash provided by V.G.

#### **P.R. and B.D.**

17. P.R. and B.D. came to Canada on or about September 8, 2015 under The Manitoba Provincial Nominee Program for Business.

18. Under this program, P.R. and B.D. were required to invest \$150,000.00 in an existing business within 2 years and were required to provide a \$75,000.00 deposit to Manitoba Development Corporation. If they did not invest \$150,000.00 in a business as required, they could be deported and forfeit their deposit.

19. P.R. and B.D. met Patel in or about November, 2015. Patel advised them he would be able to help them locate a business to invest in. Patel and P.R. and B.D. subsequently became friends.

20. Subsequent to becoming friends, Patel suggested to P.R. and B.D. that they should form a partnership with another couple, A.C. and G.C., whom Patel advised were looking for partners in a business A.C. and G.C. wished to buy.

21. P.R. and B.D. did not know A.C. and G.C. at the time Patel made this suggestion.

22. Patel advised both P.R./B.D. and A.C./G.C. that it was not necessary for them to meet each other and that he would make arrangements for a Partnership Agreement to be drawn up for the parties.

23. Patel asked P.R. and B.D. to provide two bank drafts totalling \$101,200.00 payable to Chhina Law Offices.

24. P.R. and B.D. provided Patel with these bank drafts and told Patel the bank drafts were not to be cashed until a Partnership Agreement was in place.

25. Patel subsequently gave these drafts to A.C. and G.C. who provided them to Chhina Law Offices for the purchase of a commercial property and an adjacent property in St. Pierre Jolys (the "Properties") A.C. indicated to Staff she did not understand why someone would give them \$101,200.00 without a Partnership Agreement in place but relied on Patel's advice that he would have a lawyer draw up a Partnership Agreement.

26. The purchase price for the Properties was \$490,000.00 in total. The purchase of the Properties were completed by June 2016.

27. Patel did not tell the lawyer acting for A.C. and G.C. in connection with the purchase of the Properties that the monies for the bank drafts came from P.R. and B.D.

28. P.R. and B.D. on numerous occasions requested Patel provide the partnership agreement papers he indicated would be drawn up. Patel responded by saying they were in the process of being drawn up but had not been finished.

29. A Partnership Agreement was never prepared and provided to P.R./B.D. and A.C./G.C.

30. Subsequent to the closing of the purchase of the Properties P.R. and B.D. told Patel they wanted their money back and no longer wanted to be involved in a partnership.

31. Patel approached A.C. to ask for the \$101,200.00 back but A.C. advised they no longer had the money as it had been used for closing costs in connection with the purchase of the Properties.

32. A.C. said she would sell the properties purchased to pay back P.R. and B.D. Patel said he could list the "Properties" for sale.

33. A.C. and G.C. agreed to list the properties with Patel. Patel initially stated to A.C. he could list the property for \$1,000,000.00 but several days later indicated the price may be too high and suggested listing them for \$850,000.00.

34. To date, P.R. and B.D. have not received the \$101,200.00 provided to Patel nor have the Properties sold.

35. Patel, would from time to time, approach P.R. and B.D., to seek funds, which Patel advised were needed by people who needed short term loans. This included:

- a) Having P.R. provide a bank draft payable to V.G. as set out in paragraph 12 herein and subsequently providing \$20,000.00 cash to Patel as set forth in paragraphs 12-14 herein.
- b) Patel requesting in or about April, 2016, P.R. and B.D. purchase a bank draft for \$20,000.00 payable to Chhina Law Office. P.R. did so and provided the draft to Patel. P.R. and B.D. were not clients of Chhina Law Office and this draft was cashed.
- c) Patel requested in or about June, 2016 that P.R. and B.D. provide a bank draft for \$10,000.00 to Somal Law Office. P.R. and B.D. provided Patel a bank draft to Somal Law Office for \$10,000.00 dated June 23, 2016. This bank draft was cashed. Neither P.R. or B.D. were clients of Somal Law office.
- d) Patel requested P.R. and B.D. provide a bank draft for \$50,000.00 payable to O.S. Investment Corp. This money was to be used by a friend of Patel's as a bridge loan for a purchase of a property. This transaction involving this loan did not proceed. A representative from O.S Investment Corp advised Staff he was unaware the \$50,000.00 belonged to someone other than Patel until such time Patel advised the \$50,000.00 was P.R. and B.D.'s money after the loan transaction was not completed.
- e) Patel requested in or about May 2016, a bank draft for \$15,000.00 payable to R.M. P.R provided a bank draft dated May 26, 2016 as requested by Patel. Patel gave the draft to R.M., indicated this was his money, so R.M could do renovations on a property he was going to "flip" with Patel being the listing agent. P.R. and B.D. were not aware of this.

36. P.R and B.D were subsequently paid back monies referred to in paragraph 35 after complaining to Patel's broker.

### **C. ALLEGATIONS**

1. Staff allege that Patel:

- (a) Committed a fraudulent act under the REBA, in connection with A.C. and G.C.'s purchase of the Properties, by engaging in a course of conduct to obtain from P.R. and B.D. \$101,200.00 by wrongful and dishonest

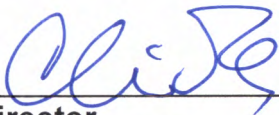
dealing.

- (b) Committed a fraudulent act under the REBA, in connection with A.C. and G.C.'s purchase of the Properties, by collecting \$101,200.00 from P.R. and B.D. and failing to within a reasonable time to account for or pay over to P.R. and B.D. these monies when requested to do so by P.R. and B.D.

2. That Patel's conduct, as set out above, is contrary to the public interest and that it is in the public interest his registration under REBA be cancelled or suspended pursuant to s. 8(1) of REBA and that Patel pay the costs for the investigation of matters referred to herein and the costs of this hearing.

3. Such further and other matters as counsel may advise and the Commission may permit.

**DATED** at the City of Winnipeg, in Manitoba this 12<sup>th</sup> day of March, 2018.

  
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Director

**TO:           BANKIM PATEL**