



Manitoba
Financial Services
Agency

IN THE MATTER OF:

THE REAL ESTATE SERVICES ACT

-and-

IN THE MATTER OF:

0493865 MANITOBA LTD.
o/a RE/MAX PROFESSIONALS

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

STAFF OF THE MANITOBA SECURITIES COMMISSION ALLEGE, AMONG OTHER THINGS, THAT:

A. REGISTRATION

1. At all material times, 0493865 Manitoba Ltd. o/a Re/Max Professionals ("Re/Max Professionals") was registered as a brokerage under the Real Estate Brokers Act ("REBA"), which was in effect until January 1, 2022.
2. Re/Max Professionals is currently registered as a brokerage under the Real Estate Services Act ("RESA").

B. DETAILS

3. On or about October 3, 2019, the Staff of the Manitoba Securities Commission ("Commission") became aware of D.S. engaging in a real estate transaction, while unregistered under REBA, through an online article advertising D.S. as the realtor selling large parcels of land for 3 adjacent farms in northern Manitoba (the "Properties").
4. Staff had contacted D.S. with respect to this article and were advised that the article was not accurate, and that D.S. had referred the sale of the Properties to a Manitoba brokerage as D.S. was registered as a realtor in Saskatchewan but was not registered in Manitoba.
5. Staff became aware of further online articles and news that continued to represent D.S. as the selling realtor for the Manitoba Properties.

6. After speaking with two of the vendors for the Properties, Staff were advised that D.S. was in fact acting as the selling realtor for both vendors. This was further confirmed by the realtor acting on behalf of a purchaser interested in one of the Properties who advised Staff that he was dealing with D.S. and S.N., the then managing broker at the time for Re/Max Professionals.

7. Staff reached out to D.S. once more in November 2019, who advised Staff that the listing of the Properties was S.N.'s and that S.N. had appointed D.S. to act on his and Re/Max Professional's behalf.

8. Staff then contacted S.N. and advised that S.N. and Re/Max Professionals cannot pay D.S. any commission as D.S. was not registered as a realtor in Manitoba.

9. S.N. advised Staff that S.N. and D.S. have an agency agreement and that they are going to proceed with the agency agreement.

10. Staff obtained a copy of the "Agreement on Commissions" between D.S. and S.N. This agreement stated that S.N. would get a \$10,000 handling fee for handling deposits through his trust account with Re/Max Professionals and "all conveyancing on this sale". This agreement further stated that any remaining balance of the commission would be given to D.S.

11. One of the Properties was sold through D.S. acting as the selling realtor in June 2020. The commission funds for this sale were put into S.N.'s trust account at Re/Max Professionals in the amount of \$153,562.50.

12. Staff obtained a freeze order on October 23, 2020, instructing the financial institution where the trust accounts were set up to hold the commission funds.

13. The October 23, 2020, order is still in place and the funds are still being held.

14. As of September 2022, S.N. had retired from the industry.

C. ALLEGATIONS

1. Staff of the Commission allege that:

- (a) Re/Max Professionals acted contrary to subsection 6(1) of RESA by collecting commission for real estate services conducted by D.S. on Re/Max Professionals behalf despite D.S. not being registered to the brokerage as D.S. was registered to another brokerage in Saskatchewan;

- (b) Re/Max Professionals acted contrary to subsection 6(1) of RESA by paying commission to D.S. for providing real estate services on its behalf while being aware that D.S. was not registered to the brokerage nor was D.S. registered in Manitoba;
- (c) Re/Max Professionals' conduct, as set out above, was contrary to the public interest;

and that due to these allegations, pursuant to subsection 59(1) of RESA that it is in the public interest that the registration of Re/Max Professionals be suspended or cancelled.

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

DATED at Winnipeg, Manitoba this 2nd day of May, 2025.



Director

TO: 0493865 MANITOBA LTD. O/A RE/MAX PROFESSIONALS