



THE REAL ESTATE BROKERS ACT )  
)  
Sections 11(1) and 34(1) )

Order No. 2768

August 21, 2019

**BANKIM PATEL**

**WHEREAS:**

(A) On March 12, 2018, a Notice of Hearing issued by reason of a Statement of Allegations of staff of The Manitoba Securities Commission ("Commission") dated March 12, 2018, whereby the Commission gave notice of its intention to hold a hearing to consider whether or not orders should be made under *The Real Estate Brokers Act* ("Act") with respect to Bankim Patel ("PATEL");

(B) Staff of the Commission and PATEL entered into a Settlement Agreement (a copy of which is attached as Schedule "A") dated August 20, 2019 ("Settlement Agreement"), which proposed settlement of this hearing matter, subject to the approval of the Commission;

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

(D) On August 21, 2019, 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** PATEL's registration under the *Real Estate Brokers Act* is suspended for a period of three (3) months from August 21, 2019 until November 21, 2019.
3. **THAT** PATEL will pay to the Commission costs in the amount of five thousand (\$5,000.00) Dollars to be paid in ten (10) equal payments of \$500.00 payable on the 1<sup>st</sup> of the month commencing September 1, 2019.

4. THAT conditions of registration will be as determined by the Registrar.

BY ORDER OF THE COMMISSION

  
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Director

Exhibit # 51 cl  
B. Patel: Aug 21/19

**SCHEDULE "A"**



**SETTLEMENT AGREEMENT**

**BETWEEN:**

**BANKIM PATEL**

**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 Real Estate Brokers Act  
R.S.M. 1987, c. R20**

**and**

**In the Matter of Bankim Patel**

**Settlement Agreement**

1. Staff of The Manitoba Securities Commission and Bankim Patel ("Patel") have reached the following agreement:

**Introduction**

- 2.1 On March 12, 2018, The Manitoba Securities Commission (the "Commission") issued a notice of hearing (the "Notice of Hearing") of staff for a hearing (the "Hearing") under subsection 11(1) of *The Real Estate Brokers Act* (the "Act") to consider, *inter alia*:
- a) whether or not it is in the public interest to order pursuant to subsection 11(1) of the Act that the registration of Patel as a salesperson under the Act be suspended or cancelled;
  - b) whether or not Patel be required to pay the costs of and incidental to the hearing;
  - c) such further and other orders as the Commission may deem appropriate.
- 2.2 Discussions have been held between Patel 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.
- 2.3 Pursuant to the Settlement, Staff agrees to recommend to the Commission that the Proceedings initiated against Patel be resolved and disposed of under the terms and conditions of this Agreement. Patel consents to the Settlement and to the consent order referred to in section 6 below.

Patel acknowledges the following facts as correct.

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

- 3.1 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").
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- 3.2 Patel acted as a broker between V.G./M.D. and the seller in connection with the sale of the taxi cab business.
- 3.3 V.G./M.D. offered to purchase the taxi cab business for \$450,000.00 of which Patel was to receive a \$75,000.00 commission for acting as a broker for this transaction.
- 3.4 Patel requested V.G. to provide a \$10,000.00 cheque for the deposit for the purchase of the taxi cab business. Patel also requested that V.G. provide Patel with \$10,000.00 cash in connection with the purchase of the taxi cab business. V.G. provided these monies to Patel.
- 3.5 Patel provided the \$10,000.00 cheque to his then broker, Royal LePage Riverbend Realty but did not turn over to his broker the \$10,000.00 cash given to Patel by V.G. The seller was unaware Patel was provided with the \$10,000.00 cash from V.G.
- 3.6 On or about May 11, 2016, Patel met with V.G. and requested a further \$10,000.00 cash in connection with the purchase of the taxi cab business. V.G. provided Patel the further \$10,000.00 cash as requested. The seller was unaware V.G. had provided these monies to Patel.
- 3.7 Patel did not deposit the further \$10,000.00 cash received from V.G. with his broker. Patel kept the \$20,000.00 cash provided by V.G.
- 3.8 V.G. no longer wished to proceed with the purchase of the taxi cab business and requested return of his cheque for \$10,000.00 and \$20,000.00 cash provided to Patel.
- 3.9 The cheque provided by V.G. was returned to him.
- 3.10 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.
- 3.11 V.G. did not accept the draft and wanted \$20,000.00 cash, as he provided to Patel.
- 3.12 Patel subsequently took P.R. to three bank branches to withdraw \$20,000.00 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. V.G. received this \$20,000.00.
- 3.13 Patel kept the \$20,000.00 cash originally provided by V.G. for his own use.

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

- 3.14 Patel was the selling salesperson for A.C. and G.C. in connection with the purchase of a commercial property and an adjacent property in St. Pierre Jolys (the "Properties"). Two Offers to Purchase were prepared for the purchases of the Properties with a combined purchase price of \$490,000.00 and possession date of May 6, 2016.
- 3.15 At the time the offer was accepted, A.C. and G.C. were planning on refinancing their home to satisfy the payments to be made by the possession date for the purchase of the Properties.
- 3.16 In or about December, 2015, Patel hosted a party at a restaurant, where P.R. and B.D. and A.C. and G.C. became acquainted. Discussions relating to a business partnership commenced between said parties, whereas P.R. and B.D. would invest in a mechanic's business at the St. Pierre Jolys location.
- 3.17 P.R. and B.D. came to Canada on or about September 8, 2015, under The Manitoba Provincial Nominee Program for Business.
- 3.18 Under this program, P.R. and B.D. were required to invest \$150,000.00 in an existing business within two 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.
- 3.19 P.R. and B.D. met Patel in or about November, 2015. Patel advised them that he would be able to help them locate a business to invest in. Patel was aware of P.R. and B.D.'s need to invest in an existing business.
- 3.20 Patel offered to assist in protecting all the parties' interests by assisting in obtaining a Partnership Agreement.
- 3.21 On or about May 5, 2016, A.C. and G.C.'s lawyer advised A.C. two cheques in the amount of \$47,000.00 and \$54,200.00 were required for the purchase of the Properties. A.C. provided this information to Patel. A partnership agreement had not yet been entered into by P.R./B.D. and A.C./G.C.
- 3.22 On or about May 6, 2016 Patel asked P.R. and B.D. to provide two bank drafts totaling \$101,200.00 payable to Chhina Law Offices in connection with the purchase of the Properties. P.R. and B.D. did so.
- 3.23 On or about May 6, 2016, Patel facilitated in the delivery of said Bank Drafts to Chhina law Office knowing there was not a Partnership Agreement in place.
- 3.24 The purchase of the Properties was completed by June, 2016.

- 3.25 Subsequent to the purchase of the Properties being completed, a Partnership Agreement between P.R./B.D. and A.C./G.C. was never finalized. As a result, P.R./B.D. told Patel they wanted their money back and no longer wanted to be involved in a partnership with A.C./G.C.
- 3.26 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.
- 3.27 A.C./G.C. listed the Properties for sale in order to pay P.R./B.D.
- 3.28 P.R. and B.D. had A.C. and G.C. sign a promissory note for the \$101,200.00 previously provided. P.R. and B.D. subsequently commenced a civil action to recover monies owed to them and obtained default judgment against A.C. and G.C. P.R. and B.D. have since been paid in full.

### Loans

- 3.29 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) 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. These monies were used to provide a deposit for the purchase of real estate by clients of Patel for which Patel received a commission.
  - (b) Patel requested that P.R. and B.D. provide a bank draft for \$50,000.00 payable O.S. Investment Corp., to assist in obtaining mortgage financing by individuals known to him. The transaction involving the financing did not proceed. Patel subsequently advised the O.S. Investments Corp. representative the \$50,000.00 was P.R.'s money and that the \$50,000.00 should be returned to P.R. This was done.
  - (c) On behalf of his real estate client R.M., in or about May, 2016, Patel requested a bank draft for \$15,000.00 from P.R. 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. and indicated this was his money so R.M. could perform renovations on a property he was purchasing where Patel was the Listing Agent and Salesperson and then "flip" the property with Patel being the listing agent. Patel received a commission on the transaction involving the sale of the property to R.M.
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- (d) P.R. and B.D. have been paid back monies referred to in paragraphs 3.10, 3.12 and 3.29 herein. P.R./B.D. did not receive any interest on these loans.

### **Acknowledgments**

4. Patel acknowledges that he:
- 4.1 Took V.G.'s \$20,000.00 cash provided in connection with the proposed taxi cab purchase, kept it for his own use and repaid V.G. with money obtained from P.R.
- 4.2 Facilitated P.R. and B.D.'s providing \$101,200.00 to Chhina Law office for the purchase of the Properties knowing a Partnership Agreement was not in place on the date of closing, thereby putting P.R. and B.D.'s interest in the business partnership and the Properties at risk and causing a delay in the return of P.R. and B.D.'s \$101,200.00.
- 4.3 In connection with transactions in real estate, as set out in Paragraphs 3.29(a) (b) and (c), Patel facilitated in loan arrangements involving P.R./B.D. and his real estate clients, without informing the clients of the terms of the loans, including term and interest and without documenting these transactions and put himself in a conflict of interest with clients on transactions where he earned or stood to earn a commission

and that his conduct was contrary to the public interest.

### **Undertaking**

5. Patel undertakes and agrees to the following:
- 5.1 A three month suspension pursuant to section 11(1) of REBA to take effect upon Commission approval of this Settlement Agreement.
- 5.2 Patel will pay to the Commission costs in the amount of five thousand (\$5,000.00) Dollars to be paid in ten (10) equal payments of \$500.00 payable on the 1<sup>st</sup> of the month commencing September 1, 2019.
- 5.3 Conditions of registration as determined by the Registrar.

### **Order**

6. Patel consents to an order by the Commission (the "Order") that:
- 6.1 The Agreement be approved.
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- 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. Staff and Patel 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 Patel 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 Patel will not raise in the Proceedings or in any other proceeding the terms of the Agreement.
- 7.2 Staff and Patel 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 Patel 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 Patel further agrees that if the Commission approves this Agreement and the Consent Order is made upon the terms set out in this Agreement, Patel will not make any statements inconsistent with the terms of this Agreement.

DATED at Winnipeg, Manitoba, this 19<sup>th</sup> day of August, 2019.

  
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 Witness

  
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 Bankim Patel

DATED at Winnipeg, Manitoba, this 20<sup>th</sup> day of August, 2019.

Staff of The Manitoba Securities Commission

per:   
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 Director