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Ghadrdoust v. Ontario (CEO of FSRA), 2026 ONFST 16

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FINANCIAL SERVICES TRIBUNAL

Citation: Ghadrdoust v. Ontario (CEO of FSRA),
2026 ONFST 16
FST File No. M1065-2024
Date: October 1, 2026

2026 ONFST 16 (CanLII)

IN THE MATTER OF the *Mortgage Brokerages, Lenders and Administrators Act,* 2006, S.O. 2006, c.29 (the **Act**), in particular sections 16, 21, 38, and 39;

AND IN THE MATTER OF the Notice of Proposal to Refuse to Renew a Licence and to Impose Administrative Penalties dated September 3, 2024, issued by the Director, Litigation and Enforcement, by delegated authority from the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario;

AND IN THE MATTER OF a Request for Hearing in accordance with sections 21(2), 21(3), 39(2) and 39(5) of the Act.

B E T W E E N:

RAOUF GHADRDOUST

APPLICANT

and

CHIEF EXECUTIVE OFFICER of the FINANCIAL SERVICES REGULATORY AUTHORITY

RESPONDENT

BEFORE:

Bethune Whiston
Chair of the Panel and Vice-Chair of the Tribunal

Allan Shapira
Panel Member and Member of the Tribunal

Verlyn Francis
Panel Member and Member of the Tribunal

APPEARANCES:

For the Applicant- Pathik Baxi, legal counsel

For the Respondent- Keir Wilmut, legal counsel

DATES HEARD:

June 15, 16 and 17, 2026

Written submissions scheduled for June 29, July 10 and July 15, 2026. Submissions considered completed effective July 10, 2026.

REASONS FOR DECISION

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I. INTRODUCTION

[1] Raouf Ghadrdoust was licensed as a mortgage agent from July 1, 2008, to March 31, 2023. During that time, Mr. Ghadrdoust was licensed through Dream Land Financial Services Inc. (**Dream Land**), and he continues to be sponsored by Dream Land. On March 24, 2023, Mr. Ghadrdoust applied to renew his mortgage agent's licence.

The Complaint

[2] The Chief Executive Officer of the Financial Services Regulatory Authority of Ontario (**FSRA**) alleges that Mr. Ghadrdoust received remuneration from a person other than Dream Land when, in September 2021, he provided a first mortgage commitment from a major Canadian bank to enable FA and her husband (the **Clients**) to purchase a property. When the bank mortgage funding was not sufficient to close the transaction, Mr. Ghadrdoust assisted the Clients in arranging a loan which eventually became a second mortgage from a non-arm's length numbered company to pay part of the balance. As remuneration for arranging these mortgages, on the closing of the transaction, Mr. Ghadrdoust was paid $19,068.75 directly by the lawyer who was at that time engaged by the Clients. During testimony, this amount is often referred to as $19,000 for convenience.

[3] Dream Land confirmed that it has no records of the Clients' mortgages from either the bank or the numbered company.

[4] The mortgage commitment from the bank contained a term that explicitly prohibited secondary financing. FSRA alleges that, in arranging the private second mortgage, Mr. Ghadrdoust knowingly facilitated the Clients' violation of the terms of the bank mortgage.

The Investigation

[5] After receiving a complaint from the Clients, FSRA interviewed them, conducted searches of the corporate profile of 2501585 Ontario Inc. (**2501585**) at the Ontario Ministry of Government and Consumer Services, and requested an interview with the lawyer who conducted the closing of the transaction. The lawyer refused to be interviewed because the Clients did not waive their solicitor/client privilege. When Mr. Ghadrdoust submitted his application for renewal of his mortgage agent's licence #M08005556 in March 2023, FSRA issued a notice proposing to refuse to renew his licence.

Notice of Proposal and Commencement of Proceeding

[6] FSRA issued a Notice of Proposal dated September 3, 2024 (**Notice of Proposal**), proposing, among other things:

(a) to refuse to renew the mortgage agent licence issued to Raouf Ghadrdoust;

(b) to impose a $10,000 administrative penalty for receiving remuneration from a person other than his brokerage, contrary to subsection 4(1) of Ontario Regulation 187/08; and

(c) to impose a $5,000 administrative penalty for facilitating dishonesty, contrary to section 3.1 of Ontario Regulation 187/08.

[7] This proceeding commenced when, on 19 September 2024, Mr. Ghadrdoust requested a hearing in front of the Financial Services Tribunal (**Tribunal**) to challenge the Proposal.

[8] The Tribunal was asked to determine whether Mr. Ghadrdoust had participated in activities which would make him unsuitable to continue to be licensed as a mortgage agent and which were deserving of imposing penalties on him.

Issues for the Tribunal to Determine

[9] More particularly, the panel was asked to determine:

(a) Did Mr. Ghadrdoust contravene section 2(3) of the Act by dealing in mortgages for remuneration while not acting on behalf of his mortgage brokerage?

(b) Did Mr. Ghadrdoust contravene section 4(1) of Ontario Regulation 187/08 (the Regulation) by receiving a fee from a person other than the brokerage on whose behalf Mr. Ghadrdoust was authorized to deal or trade in mortgages?

(c) Did Mr. Ghadrdoust contravene section 3.1 of the Regulation by acting in circumstances where he ought to have known that by acting he was being used to facilitate dishonesty? In order to address our ultimate analysis and decision we have modified this issue slightly.

(d) If the answer to issues (a), (b), and/or (c) is yes, is the imposition of administrative penalties appropriate under section 39 of the Act and will it serve the purposes of section 38 of the Act?

(e) If the answer to issue (d) is yes, what is the appropriate quantum for the administrative penalties considering the five criteria in section 3 of Ontario Regulation 192/08?

(f) If the answer to issues (a), (b), and/or (c) is yes, is Mr. Ghadrdoust suitable to be licensed as a mortgage agent under the Act?

The Hearing

[10] A hearing was held by videoconference over three days, June 15, 16 and 17, 2026. The parties filed their Agreed Statement of Facts and Agreed Book of Documents which were entered as exhibits. The Respondent called three witnesses, FA and two FSRA employees, and Mr. Ghadrdoust testified on his own behalf and called one additional witness, Ms. Nooshin Kadivar (**Ms. Kadivar**), a person who had worked as his receptionist at one point and then taken over 2501585 and, in due course, made a loan to FA and her husband which eventually resulted in significant issues for the Clients.

[11] At the outset of the hearing, counsel for both parties described this case as turning on the credibility of Mr. Ghadrdoust and the complainant FA. As counsel framed it, the stories are so diametrically opposed, if the panel believes one, we cannot believe the other. As set out below, after assessing all the evidence, we prefer the evidence of the complainant, FA, which was supported in all important aspects by the documents and the surrounding circumstances.

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Panel Determination

[12] After hearing the witnesses, and considering all of the evidence entered and the submissions of the parties, for the reasons set out below, the panel finds that there are reasonable grounds to believe Mr. Ghadrdoust is not suitable to be licensed. We find that it has been proven on a balance of probabilities that Mr. Ghadrdoust did deal in mortgages for remuneration while not acting on behalf of his mortgage brokerage; did receive a fee from a person other than the brokerage on whose behalf he was authorized to deal or trade in mortgages; and did act in circumstances where he ought to have known that by acting he was being used to facilitate dishonesty.

[13] The panel orders that FSRA should proceed to implement its proposal to refuse to renew Mr. Ghadrdoust's mortgage agent licence, and its proposal to impose an administrative penalty of $15,000 on Mr. Ghadrdoust.

II. EVIDENCE RESPECTING ISSUES (a), (b) and (c)

[14] The oral evidence is best understood if it is set out without separating the first three issues, as follows:

(a) Did Mr. Ghadrdoust contravene section 2(3) of the Act by dealing in mortgages for remuneration while not acting on behalf of his mortgage brokerage?

(b) Did Mr. Ghadrdoust contravene section 4(1) of the Regulation by receiving a fee from a person other than his brokerage?

(c) Did Mr. Ghadrdoust contravene section 3.1 of the Regulation 187/08 by acting in circumstances where he ought to have known he was being used to facilitate dishonesty?

[15] All of the documentation mentioned in the oral testimony of the witnesses was included in the Agreed Book of Documents, and some of those documents were duplicated as attachments to the affidavit of FSRA's first witness. Both of these were entered as exhibits without objection at the commencement of the hearing.

[16] We will set out the testimony of FA and Mr. Ghadrdoust in considerable detail in this decision, because of the importance of that testimony to our ultimate decision.

FSRA's Witnesses

NICOLE DEBOWSKI

Examination-in-Chief

[17] The first witness called by the Respondent was Nicole Debowski, an investigator with the Forensic Analysis and Investigations Unit of the Legal and Enforcement branch at FSRA. She was assigned as lead investigator in this matter (**the lead investigator**). In that role, she swore an affidavit on April 23, 2026, which compiled most of the documents FSRA would be relying on in the case. Those documents included the corporate profile of 2501585, the CIBC mortgage commitment of $1,125,000 to FA and her husband, and text messages between Mr. Ghadrdoust and FA in the Farsi language which had also been translated into English by a certified translator.

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[18] She further testified that the current director of 2501585 is Ms. Kadivar and a former director was Mr. Ghadrdoust.

Cross-examination

[19] In cross-examination, the lead investigator advised she has no firsthand knowledge of the materials, and she did not speak to Mr. Ghadrdoust or FA. She did not review the printed screenshots of the Farsi or translated text messages from FA's phone that were on file and she did not review the metadata or examine the telephone itself. The lead investigator agreed that, on a plain reading of paragraph 20 of the CIBC mortgage commitment, FA breached the commitment by taking a second mortgage on the property in question.

[20] The lead investigator testified that the corporate profile for 2501585 showed Mr. Ghadrdoust listed as the director until April 1, 2021. There was a notice of change filed in 2021 listing Ms. Kadivar as the director, but she does not know who the shareholders of the corporation were. She did not speak to Ms. Kadivar but, from the Notice of Proposal, she believes Ms. Kadivar worked for Mr. Ghadrdoust.

THE COMPLAINANT FA

Examination-in-Chief - prior to the closing

[21] FA was the next witness called by FSRA. She is married with one child and gave her evidence partially through a Farsi interpreter.

[22] FA testified that she and her husband first met Mr. Ghadrdoust in 2020, in his office at 55 Doncaster Avenue in Thornhill when she was referred to him by her friend, NK. Before meeting in person, they spoke to Mr. Ghadrdoust on the telephone because she and her husband were planning to buy a new property and needed a mortgage broker and agent to arrange the mortgage. Mr. Ghadrdoust told them to come to his office the following Saturday to talk about the mortgage and to bring their drivers' licences and credit reports. They gave Mr. Ghadrdoust those documents at the first meeting.

[23] On September 29, 2021, FA testified that she and her husband put an offer on a house on Exceller Circle in Newmarket (**the Newmarket property**). The agreement of purchase and sale lists the purchase price as $1,840,000 with a closing date of November 15, 2021. They discussed with Mr. Ghadrdoust the amount they had for a deposit and that they would need a mortgage for the rest of the purchase price. For arranging the mortgage, Mr. Ghadrdoust told them that he would normally charge between 2.0 and 2.5 per cent commission but, since they were referred to him, he would charge them 1.0 to 1.5 per cent commission.

[24] FA testified that Mr. Ghadrdoust asked for some documents and then he sent her and her husband an approval contract from CIBC. He told them to go to CIBC to sign and they went to the bank and signed the contract. The amount of the CIBC mortgage was $1.125 million and Mr. Ghadrdoust told them they could refinance another property and take the balance from that. The Newmarket property did not close on November 15th because it was during COVID, and Mr. Ghadrdoust told them they would need to get at least a one-month extension from the seller.

[25] FA testified that their lawyer, Michael, sent the request for the extension to the seller. The seller would not accept unless they paid a penalty. Mr. Ghadrdoust told them that their lawyer did not do a very good job and, if they hired his lawyer, J. Khalid (**Mr. Khalid**), the seller would accept the extension. FA testified that they retained Mr. Khalid who got the same result from the seller - $12,000 penalty and $50,000 increase in the downpayment.

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Closing day

[26] Previously Mr. Ghadrdoust told her that everything would be done but, on the morning of the closing on December 15, 2021, FA testified that he told her that they needed $500,000 extra in the lawyer's trust account. She was able to get $250,000 from her credit line, and family and friends. She testified that Mr. Ghadrdoust told her that he could help by asking a friend, Ms. Kadivar, to lend $250,000 on a promissory note for one month and the amount would then need to be returned to Ms. Kadivar.

[27] The promissory note FA and her husband signed shows a fee of $2,500 for the month-long loan and 12 percent charged annually. FA testified that at this time she was in the bank as part of the closing and she did not know who the lender was in the promissory note. She called Mr. Ghadrdoust to ask who the lender was and he told her one of the signatures was Ms. Kadivar and she should sign electronically. She did not know who Ms. Kadivar was before the promissory note was presented to her.

[28] FA testified that the transaction closed on December 15, 2021, and she received an email on that date from Mr. Khalid, copied to Mr. Ghadrdoust, which reads:

> "Please find attached the breakdown as well as our trust account void cheque. Please deposit the amount of $634,822.75 by way of bank draft made payable to 'JZK Law PC, In Trust' in my TD account. Please send me a copy of the draft and the deposit receipt at your earliest."

FA asserted that Mr. Ghadrdoust is copied on this email because he was their mortgage broker.

[29] One of the exhibits is an undated Statement of Receipts and Disbursements which indicates "Paid Raouf Ghadrdoust Direction $19,068.75". FA testified that this was Mr. Ghadrdoust's commission for the mortgage he got for them from the bank. The amount was what Mr. Khalid told her and her husband that he, Mr. Khalid, would take from their account.

[30] FSRA's counsel put to FA that Mr. Ghadrdoust's story was that he had loaned her and her husband this amount and this was a repayment. She denied that this was the case and explained that there was no reason why he would lend them such a large amount of money because he was not a member of their family or a friend.

After closing

[31] The loan from 2501585 was for 30 days from December 15th, but FA wasn't able to repay it within 30 days. She asked Mr. Ghadrdoust for help because they had planned to refinance but the refinancing fell through. When still not successful after three months, 2501585 forced them to sign a forbearance agreement, agreeing not to enforce the security on their home, if they agreed to a second mortgage (**forbearance agreement**). FA indicated that she spoke to Mr. Ghadrdoust about the interest in the forbearance agreement.

[32] On July 18, they received an email with a Notice of Sale Under Mortgage (**Notice of Sale**) with 2501595 as the mortgagee. FA testified that she talked to Mr. Ghadrdoust and asked him to give them more time and that he should fix the amount owing in the statement because it was more than they talked about. She told him she already had $60,000 in hand and wanted to pay that amount and interest but she never received an answer to her enquiries. After that, Mr. Ghadrdoust never answered any calls, texts or emails from them.

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[33] FA testified that she did not lose the house but she lost money. After Mr. Ghadrdoust ignored their calls and emails, she went back to their original lawyer, got another second mortgage from a private lender, and they paid all Mr. Ghadrdoust asked for under the Notice of Sale. She paid $19,000 to Mr. Ghadrdoust, $49,000 in fees and interest under the second mortgage, and during this time they paid $80,000 to family and friends, credit card interest and a line of credit.

[34] During the process of Mr. Ghadrdoust arranging the mortgages, FA testified that they communicated by text messages in Farsi. She confirmed that she did not change the text messages. The panel was referred to the English translation of these messages.

[35] FSRA's counsel took FA through some of the text messages. There were discussions about interest rates and payments that matched the terms of the mortgage with 2501585. FA indicated that the "interest" referred to in the first message was for interest for the 2501585 loan. When FA asked about the interest Mr. Ghadrdoust wrote, "He should get less interest. I wrote everything for him."

[36] Certain other messages put to FA were described as relating to the refinancing of another property in Richmond Hill that Mr. Ghadrdoust appeared to be assisting her with.

[37] In her text message, "According to the invoice sent by [Mr. Khalid], the first time it was 247,500". "That said, 2,500 in interest is also calculated on your fee", FA testified that they were talking about the interest on the $250,000 and that they took the interest for the whole thing but now they are talking about interest on $250,000 again. Mr. Ghadrdoust replies, "I wrote it myself," "I will fix this".

[38] In another text message, FA said she wrote, "Mr. Ghadrdoust, this thing that was sent by [Mr. Khalid] is a second mortgage." "It is different from what you said." "I have to talk to you." "Please let me know whenever you have the chance." Mr. Ghadrdoust answers, "It is a second, without penalty, for three months with an interest of 9.9. Read it, we must give for three months, so we don't pay fees." FA testified that Mr. Ghadrdoust said that he would help them pay the interest and a small registration fee for this amount, but the rest they would send a statement and any fee on them, he would pay all of them.

[39] FA explained that the text message, "I should have gotten 500 from the beginning" refers to Mr. Ghadrdoust indicating that, instead of taking $250,000 from 2501585 and the rest from her friends and family he should have arranged the full $500,000 from 2501585.

[40] FA testified that Mr. Khalid had not been their lawyer. Their lawyer had been Michael, then at the behest or encouragement of Mr. Ghadrdoust, they accepted Mr. Khalid as their lawyer. However, she refused to waive her solicitor and client privilege respecting Mr. Khalid testifying for Mr. Ghadrdoust because she lost trust in Mr. Khalid over time.

[41] Regarding the effect of Mr. Ghadrdoust's action on her and her husband, FA indicated that they paid $19,000 on closing, along with almost $80,000 for interest to family and friends, and on their line of credit. In addition, there was a lot of emotional stress on her family. FA felt that this stress contributed to her husband getting into two accidents, his severe depression and his business suffering and her inability to have another child.

Cross-examination

[42] In cross-examination, FA confirmed that she and her husband were able to keep the house but they lost money. She attributes that loss to what Mr. Ghadrdoust did. He arranged the CIBC mortgage and the second mortgage from 2501585.

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[43] She was referred to Mr. Ghadrdoust by a friend sometime in 2020. They had the opportunity to buy a property and they wanted to make sure they were approved for the mortgage because they owned another property.

[44] They looked at several prospective properties before entering into the agreement to purchase the Newmarket property on Exceller Circle in 2021. Mr. Ghadrdoust asked them to forward to him any properties they were interested in so he could give his input. They consulted with Mr. Ghadrdoust about several properties, he gave them advice and she thought it was sound advice.

[45] But approximately three months before Exceller, she put an offer on a property on Fern. After the offer was made, Mr. Ghadrdoust did not get in touch for 48 hours and he then advised that the property had been sold. At the time, she thought Mr. Ghadrdoust was working for her and her husband and he had their best interests at heart. It was only later that they discovered Ms. Kadivar had purchased the Fern property.

[46] They did not sign an engagement letter with Mr. Ghadrdoust and he did not give them anything that said he would be acting for them.

[47] FA testified that she did not know they could qualify for a mortgage without a mortgage broker because they had worked with a mortgage broker to purchase their previous property. She thought that a mortgage broker facilitated matters. She did not go back to her previous broker because it was a long time ago and she heard about Mr. Ghadrdoust from her friend. She was not aware that she could get a CIBC mortgage without a mortgage broker.

[48] She and her husband attended CIBC only once on December 15, 2021, to sign the line of credit and mortgage terms dated December 3, 2021. She was told by Mr. Ghadrdoust to just go in and sign.

[49] They had not been in touch with the bank's advisors. She did not fill out forms in advance to get this mortgage. They were always in touch with Mr. Ghadrdoust who set up the appointment and told them when to go and sign.

[50] CIBC was prepared to grant her a mortgage of $1,125,000. She and her husband met with a CIBC representative. Mr. Ghadrdoust was not there. They did not ask the CIBC representative any questions because Mr. Ghadrdoust said everything was done and they believed him.

[51] FA acknowledged, in cross examination, that above the signatures (hers, her husbands and the CIBC representative's), it says, "By signing below, or using or activating your line of credit or your mortgage loan means that you have received, read, understood and agree to be bound by these terms", and so on. However, she clarified that since they trusted Mr. Ghadrdoust and he said everything was set up, and this mortgage met their needs, they actually did not read anything in the document at the time.

[52] FA testified that they were not aware that a term of the CIBC mortgage restricted them from getting another mortgage. She only realized that after she made the complaint to FSRA and the FSRA person pointed out that they were not supposed to have another mortgage elsewhere. The reason they had hired a mortgage broker was because they were not aware of the laws. They wanted to rely on the broker to arrange everything for them.

[53] She was inside the bank when she realized they would be short. In addition to the $1,125,000 from CIBC, she got $250,000 from Mr. Ghadrdoust's friend Ms. Kadivar through a numbered company, and the balance came from family and friends.

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[54] FA testified that the $250,000 from the numbered company was a private loan for a period of one month, and it could only become a mortgage if they did not pay it within 30 days.

[55] The loan transaction took place on closing day, December 15, 2021, when Mr. Ghadrdoust told her that he was arranging it through a friend and $247,250 would go straight to the lawyer's trust account and the remaining $2,500 was the interest on that loan. There were no other deductions. She did not speak to Ms. Kadivar.

[56] FA confirmed that when she first met him, she gave Mr. Ghadrdoust her and her husband's drivers' licences and credit reports in his office. She had not known Ms. Kadivar at that time. She first met her in 2021 and talked to her as the receptionist but did not know Ms. Kadivar as anything else.

[57] Referring to an exhibit in the Agreed Book of Documents, Mr. Baxi questioned why FA had shared this email and its attachment from her lawyer, Mr. Khalid, when previously she had claimed privilege. He asked if she was claiming privilege over this communication. FA indicated that she sent this email to FSRA in 2022 when FSRA asked her to show consent for withdrawal of money.

[58] FA explained why she lost trust in Mr. Khalid as her lawyer. Similarly to what had happened with Mr. Ghadrdoust, at some point Mr. Khalid stopped responding to her attempts to communicate.

[59] On the attached page to the exhibit there is a breakdown of costs related to the mortgage. In one place it says "Paid Raouf Ghadrdoust Direction $19,068.75", FA testified she did not know what that was for. She called Mr. Khalid and asked what the payment was for and he told her to call Mr. Ghadrdoust for an explanation. She asked Mr. Ghadrdoust if this was his commission, as he had indicated the amount would be less. He said Mr. Khalid did this by himself and Mr. Ghadrdoust will fix it. This was all happening on the closing day and these were telephone calls; nothing was put in writing.

[60] Counsel for the Applicant, Mr. Baxi, referred FA to a handwritten document of Mr. Khalid's dated 12/02/22 and FA testified that she had never seen that document before. In response to Mr. Baxi's request to indicate whether certain items were true or not, FA advised some were true and there were others that she had a different recollection or none at all. In reference to the notation, "additional funds received, payment to Raouf Ghadrdoust for amounts owed between client and him," FA indicated she had not owed Mr. Ghadrdoust any money.

[61] Mr. Baxi then cross-examined FA on email messages between her and Mr. Ghadrdoust from April 16, 2021 to January 31, 2022. FA confirmed that there was a meeting on April 15, 2021, where they discussed refinancing their current loan of $1.2 million and applying for another loan for $1.2 million. In the email she attached their Equifax credit reports and driving licenses. She indicated that they were looking for a property of less than $1.5 million. Based on that, they asked if they needed only one mortgage, and Mr. Ghadrdoust indicated that if the mortgage didn't cover the amount, they could take the rest from the other property. If they had to refinance, they had all the documents.

[62] In an email dated May 25, 2022, five months after the closing of the Newmarket property on Exceller, she wrote to the numbered company: "Hello, We try to contact you, also we tried Mr. Ghadrdoust office but we could not communicate with you directly. We applied to refinance our property, and we got our final approval. As I texted last month to Mr. Ghadrdoust, I am able to pay back $60,000 today to reduce our loan amount. Please give us 60 more days to pay off the loan."

[63] FA acknowledged that, on January 31, 2022, Mr. Khalid wrote to her "Mr. Ghadrdoust has indicated that the money is not his, and is from a lender he knows. There is also a promissory note signed with your husband that the mortgage may be registered if money is not received after one

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month." She responded to that email a half an hour later indicating she had called and emailed several times from January 15, 2022, with questions related to the closing but had not received any responses.

[64] FA testified that she sent her entire mortgage file to FSRA and she had no objection to that file being included in the Agreed Book of Documents.

Motions on Admissibility of Witness Testimony

[65] At the beginning of the second day of the hearing motions were brought by both the Applicant and the Respondent, each objecting to a witness proposed to be called by the other party. The Applicant objected to the Respondent calling Ms. Gina Stephens. The Respondent objected to the Applicant calling Mr. Khalid.

Motion No. 1 – Evidence of Gina Stephens

[66] The second and last witness that the Respondent proposed to call was Gina Stephens who is presently employed by FSRA as the Director of Mortgage Brokerage Conduct. She was previously employed by the Ontario Ministry of Finance from May 2007 to July 2023. Mr. Wilmut advised that Ms. Stephens was being called as a "fact" witness. Mr. Baxi, on behalf of the Applicant, objected on the basis that the proposed evidence was opinion evidence and the witness was not an expert.

Respondent's Submissions

[67] The Respondent submitted that a fact witness testifies about facts of which they have personal knowledge and direct experience. An expert witness draws inferences and offers professional opinions that are outside of the knowledge of a judge, jury or tribunal.

[68] Ms. Stephens was responsible for leading the working group at the Ministry of Finance that drafted the regulations to support the coming into force of the Act. The Respondent is seeking to call her to ask fact-based questions about the reasons the Act was drafted the way it was, the structure of the Act and the harm to the public if the Act is breached. The Respondent is not seeking to ask the witness to offer her opinion on any of the factual evidence that is being offered in this case.

[69] Mr. Wilmut reminded the Tribunal that, under section 15 of the Ontario *Statutory Powers and Procedure Act*, it has broad discretion to admit evidence, including hearsay, that would be inadmissible in civil proceedings.

[70] The Respondent also submitted that the Tribunal has accepted similar evidence from Ms. Stephens and other FSRA employees. In support of its argument, the Respondent cited the cases of *Singh v. Ontario (CEO of FSRA)*, 2024 ONFST 11 (**Singh**), where the Tribunal found the evidence of Ms. Stephens to be of assistance on the structure of the Act and the protections it provides for the public, and *Michael Lampel v. Ontario (CEO of FSRA)*, 2026 ONFST 1 (**Lampel**).

Applicant's Submissions

[71] The Applicant asked that the Tribunal either exclude the evidence of Ms. Stephens, or, in the alternative, confine her evidence strictly and afford it no weight in the interpretation of the Act, on legislative intent, or on whether the Applicant contravened the Act.

[72] The Applicant submitted that Ms. Stephens has no knowledge of the facts of this case, and labelling her evidence as "fact-based" does not change the character. Evidence of the reasons the Act was drafted as it was, the legislative intent and the purpose and policy are all matters reserved

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to the Tribunal. If it is tendered as expert opinion, it does not meet the requirements for admission, and it does not meet the standards of independence and impartiality.

[73] The Applicant asserted that the Act is interpreted on the principle of statutory interpretation and not by reference to a drafter's recollection. That interpretation of the Act and its regulations is the task of the Tribunal which is done by reading the words of the statute in their entire context and in their grammatical and ordinary sense, in harmony with the scheme of the Act, the object of the Act, and the intention of the legislature [refer to *Rizzo & Rizzo Shoes Ltd. (Re),* 1998 CanLII 837 (SCC)].

[74] Citing *Quebec (Attorney General) v. Canada* 2008 FC 713, the Applicant submitted that a witness cannot give admissible opinion evidence on the meaning of a domestic statute because the interpretation of the law is reserved to the decision maker that must decide a question of law. Evidence by Ms. Stephen on why the brokerage model was adopted, and of the harm its breach is said to cause, is opinion on the purpose and proper interpretation of the provisions of the Act that the Tribunal must determine.

[75] If the evidence will be offered as expert opinion, it does not satisfy the admissibility requirements of relevance, necessity in assisting the trier of fact, absence of any exclusionary rule, and a properly qualified expert [refer to *R. Mohan*, 1994 CanLII 80 (SCC), [1994] 2 SCR 9; *R. v. Abbey*, 2009 ONCA 264]. The evidence of Ms. Stephen is not necessary because the Tribunal interprets its own constituting statute and is presumed to know the law. It is excluded because opinion on the interpretation of a domestic statute and legislative intent is not admissible. Ms. Stephen's witness statement is not an expert report because she does not acknowledge the duty of an expert to provide fair, objective and non-partisan evidence.

[76] As an employee of FSRA, the regulator who issued the Notice of Proposal, Ms. Stephen's testimony would give rise to a realistic concern that she cannot provide the independent impartial opinion the law requires. Independence and impartiality are not merely matters of weight: they are threshold requirements of admissibility for opinion evidence and evidence that does not meet them should be excluded [refer to *White Burgess Langille Inman v. Abbott and Haliburton Co.*, 2015 SCC 23].

[77] The Applicant submitted that the cases of *Singh* and *Lampel,* relied on by the Respondent, were distinguishable.

[78] *Singh*, because the matter was decided on an Agreed Statement of Facts and the evidence was not contested. A prior unopposed reception does not bind the Tribunal because there was no dispute that the sections of the Act had been contravened. In this case, the question of whether the Applicant contravened the Act is squarely in issue.

[79] *Lampel* was distinguishable because the evidence in that case related to false or incomplete information undermining FSRA's ability to assess suitability which was a matter within the market-conduct manager's knowledge. It was not an opinion on interpretation of the Act or legislative intent and admissibility was not in issue.

[80] Finally, the Applicant argued that, although Section 15 of the *Statutory Powers Procedure Act* relaxes the technical rules of admissibility and allows the Tribunal to receive a broad range of relevant evidence, it does not relieve expert opinion of the requirements of necessity, qualification, and impartiality. The power to interpret the legislation is a question of law for the Tribunal.

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Tribunal's Ruling on Motion No. 1 – Evidence of Gina Stephens

[81] After hearing the oral submissions and reviewing the written submissions of the parties the panel determined to hear Ms. Stephen's evidence at this point. We noted the Applicant's concerns and advised we would keep in mind that it is the panel's obligation to interpret the legislation. Upon hearing the evidence, the panel would decide what weight, if any, should be given to it.

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Motion No. 2: Evidence of FA's lawyer, Mr. Khalid

[82] The Applicant indicated that they intended to call the lawyer, Mr. Khalid, who acted for FA and her husband, as a witness to give evidence about the closing of the transaction in question and the disbursement of the closing funds, including the $19,068.75 paid to Mr. Ghadrdoust. The Respondent objected on the basis that the complainant had not waived her solicitor-client privilege.

[83] The panel heard oral arguments from the Applicant and the Respondent on this motion and reserved its decision, indicating that the remainder of the day could be used for hearing Ms. Stephen's testimony and the testimony of Mr. Ghadrdoust, and a decision made prior to commencement of the third day of the hearing.

Motion No. 2: Ruling on calling Mr. Khalid as a witness not needed

[84] At the end of the second day of the hearing, after the testimony of the Applicant, counsel for the Applicant advised, given that:

- FA had expressly not waived privilege, and
- Mr. Khalid, when he was interviewed by FSRA, did not waive privilege and declined to answer questions, the Applicant has no reason to believe that he would change that determination. Therefore, the Applicant did not need a ruling from the Tribunal.

GINA STEPHENS

Examination-in-chief

[85] Ms. Stephens testified that she has been the Director of Mortgage Brokerage Conduct at FSRA since July 2023. Prior to that she was at the Ministry of Finance from 2007 to 2023, and was involved in the drafting of the Act. She joined the Ministry when they were bringing the regulations into being. She ran the working group that drafted the regulations to support the Act coming into force.

[86] The Act and regulations were designed so that individual agents licensed under the Act have to work through a brokerage. The brokerage provides the appropriate documentation and knowledge to ensure that the consumer ends up with a product that is appropriate to their needs. It enforces the brokerage's, broker's, and agent's activities under the regulation.

[87] The sections that put restrictions on trading in mortgages for remuneration were designed to address broker compensation, conflicts of interest, and suitability of product. That is why the Act was designed to specifically stop the broker from being paid by anyone else.

[88] Ms. Stephens testified that while she was involved in the implementation of these sections, they discussed the harm that could result from allowing compensation outside of the brokerage. It was designed so that the compensation went through the brokerage, so that the consumer can understand the compensation design. They considered the effect on vulnerable consumers. There

are no advance fees for mortgages under $400,000 for consumers who might have difficulty finding a broker. It is important to keep vulnerable consumers from being taken advantage of.

[89] In this case, the CIBC mortgage on the Newmarket property prohibited a second mortgage. FA and her husband eventually took a second mortgage which was something that was prohibited by contract. This second mortgage was registered on title in April 2022. That affects the suitability of the original product. It changes the underwriting. In a climate where there are high interest rates, that could create a huge problem that the consumer has no control over – whether they are vulnerable or not.

Cross-examination

[90] When asked in cross-examination whether a consumer can choose to put a second mortgage on title through a private lender without using a mortgage broker, Ms. Stephen testified that, in Ontario, it has to be intermediated through a credit union or lawyer. While transactions without an intermediary might happen, they are not prevalent and they are a serious contravention.

[91] Ms. Stephens confirmed that she did not take part in the investigation of Mr. Ghadrdoust, and she cannot speak to whether the $19,000 was a loan or brokerage fee.

[92] She testified that her evidence-in-chief included general comments that apply broadly. She was part of the working group that drafted the Act and regulations, but how or if they apply to Mr. Ghadrdoust is for the Tribunal to decide.

[93] Referring to s. 4 of Regulation 187/08, respecting restrictions on remuneration, Ms. Stephens testified that remuneration in general must go through the mortgage brokerage. Since remuneration can come in all forms, she could not comment without knowing the circumstances and the context, on whether the language of the section prevents a broker from being repaid a personal loan. The section is referring to remuneration for a mortgage and allowing a brokerage to have oversight.

[94] Ms. Stephens testified that she has no evidence that FA was a vulnerable person or that this mortgage was unsuitable for her. Her testimony refers only to the principles related to the drafting of the Act and regulations.

APPLICANT'S EVIDENCE

NOOSHIN KADIVAR

Examination-in-chief

[95] The first witness for the Applicant was Ms. Kadivar who was affirmed and testified with the assistance of a Farsi interpreter.

[96] Ms. Kadivar testified that she has been a real estate agent since 2018 or 2019. She buys and sells houses for clients.

[97] In 2020 or 2021, she met FA who was a friend of a friend. She became friends with FA. She was not FA's agent, but FA shared with her that she did not have enough funds for the closing purchase of the Newmarket property and asked if she could help. Ms. Kadivar testified that she had money at the time because she wanted to buy a house for herself and she offered to lend FA funds for 30 days.

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[98] Ms. Kadivar testified that 2501585 is her company and she is the shareholder and director, and she makes decisions for this company. She loaned FA money through this company. Mr. Ghadrdoust did not refer her to FA and Mr. Ghadrdoust did not make a fee from the loan. She did not recall if she had a discussion with Mr. Ghadrdoust about lending FA the money but, if she did, it was informal because it was her company and she made the decisions.

[99] Ms. Kadivar previously worked part-time for Mr. Ghadrdoust as a receptionist in his office but she stopped working there, she thought, in 2022.

[100] She wanted to register a company, and Mr. Ghadrdoust told her he already had a company and he could transfer the company to her so she wouldn't have to pay the registration fee. Ms. Kadivar confirmed that the corporate profile shows her name and her address at the time, and that she became a director and president of the company in September 2019, and the sole director in 2021.

[101] Ms. Kadivar testified that the promissory note between her company and FA was prepared by the lawyer, Mr. Khalid, for Ms. Kadivar. There is no note of a brokerage fee being paid to Mr. Ghadrdoust. She gave the money in December 2021 for one month but she was not repaid within 30 days.

[102] Mr. Khalid prepared the forbearance agreement which was sent on Ms. Kadivar's behalf to FA. She was ultimately paid back.

[103] Ms. Kadivar testified that she did not know if Mr. Khalid's office paid Mr. Ghadrdoust $19,000 and she did not know if Mr. Ghadrdoust loaned FA $20,000.

Cross-examination

[104] In cross-examination, Ms. Kadivar testified that she referred FA to Mr. Ghadrdoust. She was a real estate agent and she would refer clients to other professionals such as mortgage brokers. Mortgage agents find mortgages for people, they give advice and they charge them but she does not know specifically how they charge. When she refers someone to a mortgage agent, she does not know if they charge because that is not her business. As a real estate agent she works for free until she closes a deal. After the deal is completed, she gets a fee.

[105] Ms. Kadivar testified that when she referred FA to Mr. Ghadrdoust, she did not know if he would charge a fee. When she refers a person to a professional, it is not her business and she does not know what goes on between them.

[106] She testified that she did not recall if she told FA to send Mr. Ghadrdoust a text message. She was Mr. Ghadrdoust's assistant, and she still knows him, and he called her to testify in this proceeding. When asked if he is her friend, Ms. Kadivar said she knows him in a professional way; he is a mortgage broker, she is an agent. She assumed this hearing is important to him but did not know that if he loses he will not be able to work as a mortgage agent anymore, and would have to pay a $15,000 fine. Ms. Kadivar did confirm that she helps her friends.

RAOUF GHADRDOUST

Examination-in-chief

[107] Mr. Ghadrdoust testified that he is currently in property management but, previously, he had been a mortgage agent for more than fifteen years. He had been a part of Dream Land in 2021 and his fees had flowed through that brokerage.

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[108] He testified that he did not submit an invoice to FA and her husband because he did not do anything for them. They were referred to him by his previous assistant, Ms. Kadivar. They came to his office with their son and hung around for a couple of months. He told FA that because her husband is self-employed, they could get a property worth $1.2 million with 35 percent down.

[109] When he gave this advice, he did not intend to be their broker and he was not charging them. He didn't start any forms. They shared information about how much they were making and their credit reports, and he gave them the information. Mr. Ghadrdoust indicated that he advised them that if they decide to purchase a property, they have to send him the whole document and he would see if he could get it done.

[110] They came to his office and said they had made an unconditional private offer that was accepted. The agent had said they would otherwise lose the fantastic property which was being sold at a great price and their son loved it. There were no conditions for financing or inspection. When they told him that the price was $1.8 million, he told them he could not do anything for them.

[111] Mr. Ghadrdoust indicated that FA's husband told him the husband's brother-in-law had a friend who referred them to someone inside CIBC and CIBC agreed to provide the mortgage.

[112] When reminded that FA testified that he had arranged the CIBC mortgage for them, Mr. Ghadrdoust asserted that, in the 1000+ pages of FSRA's investigations, there was no indication that FA had submitted a complaint to FSRA about him. It was, in his view, the "FSRA guy" who made FA and her husband do it because they were guiding her as to what to say during the interview. FA and her husband had started a complaint against someone else but it ended up with his name on it. She never said that he sent her to CIBC and it was the FSRA guy who put it into her mind to make up this story.

[113] Mr. Ghadrdoust said that he loaned FA and her husband $20,000 because they said they were going to sell their current property and they needed the money for just a few months. He advised Igor at FSRA of this during his interview with Igor.

[114] Mr. Ghadrdoust testified that he, FA, and her husband were hanging around together and attended a cultural celebration. FA had been to his office with her son and since he had a daughter the same age, they started hanging out together. He and FA and her husband had lunch twice and it was during this period that they asked for money. They were short and needed $20,000 for a few days. He got the money from the bank and gave it to them.

[115] One of the exhibits shown to Mr. Ghadrdoust was a note written by Mr. Ghadrdoust for himself, indicating: "I paid in advance 18,000$ to Mrs. A from my Td Bank and 2000$ from my pocket. Total $20,000. They told me they will pay me back on the closing."

[116] Mr. Ghadrdoust's TD Bank statements were also shown to him. He said these were obtained by FSRA without his consent or a court order and were released in error by the bank and he is probably going to bring a lawsuit. [The Chair ordered that these statements should be redacted for privacy purposes]

[117] The statements show that, between October 18, 2021, and December 7, 2021, he made 5 withdrawals of several different amounts, totalling $18,000. He gave this money to FA in cash as she requested. She said Mr. Khalid would pay him back at the closing of the transaction as there was over $19,000 in the trust account. FA came to his office and gave him the difference, in cash.

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[118] Mr. Ghadrdoust testified that he trusted FA and did not ask for a promissory note because she and her family were so nice.

[119] He confirmed, when asked, that he was not the mortgage broker because FA said they had previously sold their property and the same agent who sold the property prepared the mortgage for them. Mr. Ghadrdoust said he was not comfortable participating because there were fake documents supporting the mortgage.

[120] Mr. Ghadrdoust testified that he was not involved with the loan from 2501585 and he did not receive any remuneration for that loan.

[121] Mr. Ghadrdoust was shown several sets of text messages, both ones in Farsi and ones translated into English. He pointed out various technical differences between the text messages. Mr. Ghadrdoust claimed that FA is a computer programmer who is familiar with altering documents. He claimed various messages were not what he had written. Some of them are his but some are not.

[122] Mr. Ghadrdoust indicated he had received 1,000 pages of documents from FSRA and he saw lots of messages in those documents. He claimed that the emails and text messages from 2021 were revised when FSRA sent the monthly report, and some of the text messages are not genuine.

[123] Mr. Ghadrdoust testified that he did not recall referring FA to Mr. Khalid, but since FA said he referred her he probably did.

[124] In explaining why Mr. Khalid had written him a cheque for $19,068.75, Mr. Ghadrdoust testified that Mr. Khalid called him and said there was a cheque for him but it wasn't enough to cover the full amount owed. FA later came to his office and repaid the balance and this has been captured on camera. This was repayment of a loan and he did not do any work for her and he did not charge any fees to her.

Cross-examination

[125] Mr. Ghadrdoust confirmed in cross-examination that he believes that FSRA staff convinced FA to make a complaint against him; that they changed their reports for their superiors; that they obtained his bank records illegally without a court order; and that FA changed the text messages to frame him.

[126] When asked if he knew the difference between an iPhone and Android, Mr. Ghadrdoust testified that he never had an Android. It was pointed out to Mr. Ghadrdoust that messages on iPhones are displayed differently than those on Android phones and that the differences he had noted in his earlier testimony could be explained by the fact that some messages were sent by an Android phone and some by an iPhone. Mr. Ghadrdoust indicated that if these were accurate message sent to him he should have them and he doesn't. He further indicated that he does not delete his messages but saves them to his iCloud.

[127] Mr. Ghadrdoust acknowledged that he was a mortgage agent and made money from arranging mortgages for clients. When asked if he wanted to be a mortgage agent again, he replied, yes. He also indicated he was concerned, "because you advertise in my community that I did fraud and these things, I want my reputation back."

[128] Mr. Ghadrdoust testified that he got his clients through referrals and, in exchange for arranging mortgages, most of the time the lender would pay. The lender would pay the brokerage and the brokerage would pay him.

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[129] He acknowledged that FA and her husband were referred to him and he provided them with some information, and he got $19,000 on the closing of FA's property. FA said that this payment was for him arranging two mortgages but this is the first time he heard about two mortgages; the loan from the numbered company only became a mortgage later on. There is no document indicating that there is a mortgage brokerage fee for what he did and there is no promissory note or IOU supporting a loan. The only document is the note he wrote himself.

[130] He has not been able to produce a text message where this loan of $20,000 to FA was discussed because it was a favour he did. He did not create a document because he knows that, as a mortgage agent, he is not permitted to lend money but he did it as a favour.

[131] In response to being asked to explain about having text messages from ten years ago but not having any text messages from FA mentioning the loan, Mr. Ghadrdoust indicated it was because she paid it back. She paid back the $19,000, and then gave him an additional $1000 in person. He has this on video. But he explained he did not give the video to his lawyer or the Tribunal because he was not asked for it.

[132] When FSRA's lawyer suggested that it was a lot of work going to the bank five times to get cash (October 18, $3,000; October 29, $4,000; December 1, $3,500; December 6, $4,000; and December 7, $3,500), in order to make the $20,000 loan, Mr. Ghadrdoust had an explanation. Mr. Ghadrdoust replied that the bank was close to his office, he liked the family, they had a son that was close to his daughter's age, and when they sold the property, they would pay it back on closing.

[133] He agreed that the bank statements show that he took the money but do not show what he did with the money.

[134] FSRA pointed out that Mr. Ghadrdoust knew this family for eight months, went to lunch twice with FA and her husband and was prepared to lend them $20,000 because they showed him some documents, he knew the closing was happening, he talked to the lawyer, and he knew they would pay him back. He agreed with this but said he would never do it again.

[135] Mr. Ghadrdoust testified that he did not help FA and her husband with the Newmarket mortgage because he knew they were using false documents to get approved for a mortgage. That was fraud. He advised he had made the $20,000 loan before that had occurred.

[136] Mr. Ghadrdoust indicated that whenever he went through his brokerage, Dream Land, 5 percent of his fees were paid to them. Since he had not participated in this mortgage, no fees had flowed through Dream Land.

[137] Mr. Ghadrdoust acknowledged that paragraph 20 of the CIBC commitment prohibits further mortgages on the property (the second mortgage was put in place in April 2022 after FA couldn't pay the numbered company back on the loan) but testified that he first saw the CIBC mortgage commitment as an exhibit for this hearing. He did not see it before then. He did not see it before because CIBC does not work with mortgage brokers. Only TD and Scotiabank deal with brokerages.

[138] Mr. Ghadrdoust finished his testimony by agreeing that he had seen prohibitions against further encumbrances previously, before he was shown the CIBC commitment provision, and agreeing that a loan from 2501585 that turned into a second mortgage would violate that prohibition. He confirmed that if that was put through Dream Land, Dream Land would not have permitted it.

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III. SUBMISSIONS, ANALYSIS AND FINDINGS

[139] We will address the first two issues together, as the evidence relates to both issues and it is unnecessary to separate the issues and duplicate the submissions.

A. Did Mr. Ghadrdoust contravene section 2(3) of the Act by dealing in mortgages for remuneration while not acting on behalf of his mortgage brokerage?

B. Did Mr. Ghadrdoust contravene section 4(1) of Ontario Regulation 187/08 by receiving a fee from a person other than the brokerage on whose behalf the Applicant was authorized to deal or trade in mortgages?

The Legislation

[140] Section 2(3) of the Act provides that "No individual shall deal in mortgages in Ontario for remuneration, whether direct or indirect, as an employee or otherwise unless he or she has a mortgage broker's or agent's licence and is acting on behalf of a mortgage broker or is exempted from the requirement to have such a licence".

[141] The definition of "dealing in mortgages" in section 2(1) of the Act states that a person or entity is dealing in mortgages in Ontario when he, she or it engages in any of the following activities in Ontario, or holds themselves out as doing so:

1. Soliciting another person or entity to borrow or lend money on the security of real property.
2. Providing information about a prospective borrower to a prospective mortgage lender, whether or not this Act governs the lender.
3. Assessing a prospective borrower on behalf of a prospective mortgage lender, whether or not this Act governs the lender.
4. Negotiating or arranging a mortgage on behalf of another person or entity, or attempting to do so.
5. Engaging in such other activities as may be prescribed.

[142] Section 4(1) of Ontario Regulation 187/08 provides that "A mortgage broker or agent shall not receive, directly or indirectly, any fee or other remuneration for dealing or trading in mortgages from a person or entity other than the brokerage on whose behalf he or she is authorized to deal or trade in mortgages."

Respondent's Submissions – Issues A and B

[143] FSRA submits that the Tribunal has sufficient evidence to find that the Applicant:

a. contravened section 2(3) of the Act by dealing in mortgages for remuneration while not acting on behalf of his mortgage brokerage; and

b. contravened section 4(1) of Ontario Regulation 187/08 by receiving remuneration for so dealing from a person other than the brokerage on whose behalf he was authorized to deal or trade in mortgages.

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[144] In *Yashna Singh v. Ontario (CEO of FSRA)*, 2025 ONFST 14, at para. 26 the Tribunal held that arranging a mortgage and receiving a fee constitutes dealing in mortgages and, as Ms. Singh was not licensed, was a breach of section 2(3) of the Act.

[145] FSRA argues that the central issue in the hearing is credibility. Only one of FA or Mr. Ghadrdoust can be telling the truth, and the Tribunal should prefer the evidence of FA over Mr. Ghadrdoust. In determining credibility, FSRA invites the panel to adopt the analysis set out in *McBennett v. Danis,* 2021 ONSC 3610, at para. 41 (**McBennett**) where the Superior Court of Justice set out 14 factors that courts may consider in weighing and assessing the credibility and reliability of witnesses.

[146] Of the 14 *McBennett* factors, FSRA asks the panel to rely on five points to determine that FA's version of events is the truth.

Does the witness have a motive to deceive (7th factor in McBennett)?

[147] FSRA submits that FA has no motive to deceive. Her dealings with Ghadrdoust have been over for more than four years and she testified that she is not suing him.

[148] Mr. Ghadrdoust has a clear motive to fabricate his evidence: the possible loss of his career, a $15,000 administrative penalty, and a desire to rehabilitate his reputation after FSRA's allegations were made public.

[149] The evidence of Ms. Kadivar should not be believed because she is not a neutral witness. She is personally connected to Ghadrdoust, admits she would help her friends, and admits knowing this hearing is important to him.

Did the evidence appear to be inherently improbable and implausible (11th factor in McBennett)?

[150] In this regard, the question to consider is whether the testimony is in harmony with "the preponderance of the probabilities which a practical and informed person would readily recognize as reasonable in that place and in those conditions?"

Issue A

[151] Ghadrdoust earned his living from arranging mortgages for clients, and he depended on referrals to earn that living.

[152] The uncontested evidence is that FA and her husband were referred to Ghadrdoust because they wanted assistance in obtaining a mortgage.

[153] Ghadrdoust admitted he provided information to FA and her husband, but claimed it was provided for free. FSRA submitted that this is inherently improbable and implausible. The plausible version of events is that Mr. Ghadrdoust did what he did to earn a living: he arranged the mortgage for remuneration.

[154] Regarding the loan and eventual second mortgage with 2501585, Mr. Ghadrdoust had been the sole director of that company. Ms. Kadivar, Mr. Ghadrdoust's former assistant, took over as the sole director in 2021. Ms. Kadivar only met FA when she attended at Ghadrdoust's office sometime in 2020. FSRA submitted that the Tribunal should ask itself whether it is more probable that FA is lying or that Ghadrdoust arranged the mortgage with 2501585 because he had such a strong connection to the company.

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Is there other independent evidence that confirms or contradicts the witness' testimony (5th factor in McBennett)?

[155] FSRA submitted that there is ample independent written evidence that confirms FA's testimony and contradicts Ghadrdoust's. Ghadrdoust has accepted the authenticity, truth and relevancy of this written evidence when he failed to challenge these documents in the Agreed Book of Documents, an obligation set out in the Pre-Hearing Conference Memorandum dated May 15, 2025.

[156] The exchange of text messages between Ghadrdoust and FA and her husband show that Ghadrdoust provided substantially more assistance than mere "information".

[157] At the hearing, Ghadrdoust argued that the text message were not genuine because they looked different than other text messages that he admitted were genuine. However, the Respondent argues, he admitted under cross-examination that differences in appearance between the other text messages was because FA was using an Android phone and the other text messages were from an iPhone.

[158] In closing argument, the Applicant argued that since FSRA did not retain an expert to validate these text messages, and did not examine the "metadata", the messages are unreliable. However, text messages were included in the Agreed Book of Documents and the Applicant was ordered on May 15, 2025, to indicate by August 4, 2025, whether or not he intended to challenge the authenticity, truth or relevancy of any of the documents in the Agreed Book of Documents. Prior to the hearing, he did not indicate his intention to challenge the "authenticity, truth or relevancy" of the text messages or the translation. He cannot now argue that they are forgeries.

[159] The Respondent submits that the text messages are authentic, true and relevant and they prove FA's testimony to be true.

[160] In addition, there are also emails from FA to Ghadrdoust. He did not dispute the authenticity of these emails. They show that Ghadrdoust received an email from FA attaching her and her husband's drivers' licenses and credit scores and an email in late October 2021 after the closing of the property purchase.

[161] On January 31, 2022, FA emailed Mr. Khalid and referred to "Mr. Ghadrdoost's comission [*sic*]" and advised "mr. Ghadrdoust promised us the mortgage will be done". FA's contemporaneous reference to "comission" and "mortgage" confirms her testimony.

Issue B

[162] On the payment of $19,068.75, FSRA invited the panel to again consider the 11th factor in *McBennett*, on whether the evidence is inherently improbable and implausible or in harmony with what an informed person would consider reasonable in the circumstances.

[163] The Respondent addressed the handwritten note from Mr. Khalid which indicates, "additional funds received, payments made to Raouf Ghadrdoust for amounts owed between client and him, and overpayment made to clients." As Mr. Khalid did not testify, there is no further evidence regarding what was meant by "amounts owed". However, the Respondent submits that FA's testimony and the evidence prove that Mr. Ghadrdoust breached section 4(1) of Regulation 187/08.

[164] Ghadrdoust does not deny receiving a payment of $19,068.75 from FA on the closing of the transaction. The more plausible and probable reason is that, as FA testified, this was payment for

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arranging the two mortgages. His claim that it was repayment of a $20,000 loan is improbable and implausible and is not reasonable.

[165] FA testified that neither she nor her husband ever borrowed any funds from Ghadrdoust. He was not a friend of theirs and he was not a family member so there was no reason why he would lend them such a large sum of money.

[166] Ghadrdoust admitted that he had only known FA and her husband for six to eight months and had lunch with them twice.

[167] Ghadrdoust claimed that the loan was in cash, was unsecured, and no interest was charged. There is no evidence to support his testimony that this was a loan, and he was unable to produce emails or text messages discussing this supposed loan.

[168] Ghadrdoust introduced his bank records to show that he visited his bank five times and made cash withdrawals over multiple weeks totalling $18,000. It is implausible that Ghadrdoust would visit a bank five times over several weeks to withdraw the cash to make this supposed loan.

[169] FSRA submitted that giving a $20,000 cash, unsecured, interest-free loan with no documentation to people Ghadrdoust barely knew is not in harmony with "the preponderance of the probabilities which a practical and informed person would readily recognize as reasonable".

Applicant's Submissions – Issues A and B

[170] Counsel for Mr. Ghadrdoust submitted that the onus is on FSRA to prove the alleged contraventions and to uphold its proposal. Mr. Ghadrdoust is not required to prove his innocence.

[171] Referring to *F.H. v. McDougall*, 2008 SCC 53 (2008) (**McDougall**) counsel submitted that the standard of proof is on a civil standard, on a balance of probabilities, and evidence must always be sufficiently clear, convincing and cogent to satisfy that test. That standard is not met by vague, general, or uncorroborated evidence. Where FSRA alleges dishonesty and seeks to end a 15-year livelihood, the evidence must be scrutinized with care.

Issue A

[172] The FSRA witnesses could not speak to the allegations against Mr. Ghadrdoust. Ms. Debowski had no first-hand knowledge of the events that occurred. Her knowledge came from reviewing the file. She did not interview FA before swearing her affidavit, and her affidavit does not state that Mr. Ghadrdoust provided a mortgage for FA or that he received a fee.

[173] The Applicant submitted that Ms. Debowski's evidence on the text messages counteracted their reliability. She accepted that the messages were not obtained from FA directly, that she did not know to whom they had been given, that FA's telephone was never provided to verify the printed messages, that no metadata had been examined, and that no steps were taken to verify them. She could not say whether the messages were complete or had been broken up. She does not speak Farsi, and the translation reached the Tribunal unauthenticated and untested, and cannot ground a finding of dishonesty.

[174] Counsel submitted that the Tribunal indicated it would not accept the evidence of Ms. Stephens as opinion evidence and what remains is not useful to FSRA. Her evidence consisted of general comments about the design of the Act, based on nothing specific in this case, and she did not offer an opinion. She accepted that whether a repayment of a loan contravenes subjection 4(1) of the regulations under the Act is contextual, and that the provision does not explicitly address that

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circumstance. She offered no evidence that FA was a vulnerable person, no evidence about the particular mortgages, and no evidence of any actual harm arising from Mr. Ghadrdoust's conduct.

[175] FA, the complainant, was FSRA's only fact witness. She lost approximately eighty thousand dollars, and she attributes that loss to Mr. Ghadrdoust. That gives her the motive to blame him for the transaction, and her evidence must be weighed accordingly. It was also contradicted on points that matter:

1. She did not know Ms. Kadivar except in passing and was not referred by her, yet both Ms. Kadivar and Mr. Ghadrdoust gave evidence that Ms. Kadivar knew FA and referred her to Mr. Ghadrdoust.
2. She accepted that the $250,000 from 2501585 was not a mortgage when advanced, but simply a private loan that would become a mortgage only if it was not repaid within thirty days.
3. She accepted that she did not know the CIBC commitment prohibited a second mortgage until FSRA's investigator pointed it out to her after she complained.

[176] In comparison, counsel submitted, the Applicant's two witnesses gave direct, first-hand evidence and were not shaken on the essentials. Ms. Kadivar, a licensed real estate agent, testified that 2501585 is her company, that she is its director and shareholder, that she decided to lend her own funds to FA for 30 days, and that Mr. Ghadrdoust did not make that decision and received no fee. FSRA led no evidence to contradict her.

Issue B

[177] Mr. Ghadrdoust testified that he did not act as the purchasers' agent, that he advanced them approximately twenty thousand dollars as a personal loan, and that the payment on closing repaid that advance, which is the same explanation he gave FSRA when he was interviewed.

[178] The Applicant submits that, in her testimony-in-chief, FA called the $19,068.75 payment a commission, but accepted on cross-examination that when she first saw the payment she didn't know what it was and had to ask Mr. Khalid. He told her to ask Mr. Ghadrdoust. Mr. Khalid records in the statement of receipts and disbursements that the payment was made by direction, and does not state it is a fee or a commission.

[179] Mr. Ghadrdoust's evidence is that he loaned approximately $20,000 to FA and this is corroborated by his bank records which show a series of withdrawals between October and December 2021 totalling approximately $18,000. FA's evidence is that she had no idea what the payment was when she first saw it. Her denial that she ever borrowed money from Mr. Ghadrdoust is uncorroborated, comes from an interested witness, and stands against Mr. Ghadrdoust's evidence and his bank records.

[180] Mr. Ghadrdoust's version is confirmed by Mr. Khalid's handwritten note that recorded the payment to Mr. Ghadrdoust as "monies owed" to him. The Applicant submits that that note was made by an independent solicitor in the ordinary course of the closing, and its authenticity as a record from his client file is not in dispute. It is consistent with Mr. Ghadrdoust's evidence that the payment repaid a loan, and it is inconsistent with the suggestion that the payment was a commission – a characterization that FA was unable to support.

[181] The Applicant submitted that since FA declined to waive privilege, the Tribunal should draw an adverse inference, namely, that Mr. Khalid's evidence would not have assisted the case against

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Mr. Ghadrdoust. In any event, no inference is necessary. The note requires no explanation because it is an undisputed record and it records the payment as monies owed to Mr. Ghadrdoust. If FSRA wished to contend that the note meant something else, the onus was on FSRA to lead evidence to do so and it did not.

Standard of Proof

[182] At the end of their submissions, the Chair reminded counsel that the standard of proof recognized by the Tribunal where it is proposed to refuse to renew a person's license, is as set out in *Faridi v. Ontario (CEO of FSRA),* 2024 ONFST 18 (CanLII) (**Faridi**) at para 12, as follows:

> "In short, 'reasonable grounds to believe' requires something more than mere suspicion, but less than a balance of probabilities. There must be an objective basis for the belief, which is based on compelling and credible information, but it need not be conclusive evidence."

Both parties agreed that this is the correct standard and offered no further submissions on that point.

Analysis and Findings – Issues A and B

[183] It is uncontested that Mr. Ghadrdoust was first licensed as a mortgage agent Level 1 from July 1, 2008 and, by April to December 2021, when his interactions with FA and her husband took place, he had been licensed for 13 years. By 2021, Mr. Ghadrdoust was an experienced mortgage agent who knew or ought to have known that he could only deal or trade in mortgages on behalf of his authorized brokerage, and any fees had to be paid through the brokerage. As the Supreme Court of Canada noted in *La Souveraine v. Autorité des marches financiers*, 2013 SCC 63, at para. 49, "those who engage in regulated activities agree in advance to adhere to strict standards, and they accept they will be rigorously held to those standards".

[184] Gina Stephens, participated in the development of the regulatory scheme and is currently FSRA's Director of Mortgage Brokering Conduct. Ms. Stephens testified about the reasoning behind the regulatory scheme. Her testimony is fully supported by the following excerpt from paragraph 32 of *Singh v. Ontario (CEO of FSRA),* 2024, ONFST 11 "… the integrity of the regulatory system relies on having fees flow through authorized brokerage firms. This ensures the fees remain reasonable and appropriate. It also enables the brokerage firm to oversee the individual broker's activities and verify compliance with the Act and its regulations." However, we note that Ms. Stephens' testimony is not critical to our findings; the legislative requirements are clear.

[185] At the outset of the hearing, counsel advised the Tribunal that the evidence would disclose two divergent narratives and a determination of credibility would be required to decide the issues in this matter. Having heard the evidence and the submissions, we agree.

[186] The Tribunal must assess the reliability and credibility of the witnesses and documents in this case and it takes guidance from many of the factors set out in *McBennett* in undertaking this task. The *McBennett* factors, from paragraph 41 of that decision, are:

1. Were there inconsistencies in the witness' evidence at trial, or between what the witness stated at trial and what they said on other occasions, whether under oath or not?
2. Was there a logical flow to the evidence?

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3. Were there inconsistencies between the witness' testimony and the documentary evidence?
4. Were there inconsistencies between the witness's evidence and that of other credible witnesses?
5. Is there other independent evidence that confirms or contradicts the witness' testimony?
6. Did the witness have an interest in the outcome, or were they personally connected to either party?
7. Did the witness have a motive to deceive?
8. Did the witness have the opportunity and ability to observe the factual matters about which they testified?
9. Did they have a sufficient power of recollection to provide the hearing with an accurate account?
10. Did the evidence appear to be inherently improbable and implausible. In this regard, the question to consider is whether the testimony is in harmony with the preponderance of the probabilities which a practical and informed person would readily recognize as reasonable in that place and in those conditions?
11. Was the evidence provided in a candid and straightforward manner, or was the witness evasive, strategic, hesitant, or biased?
12. Where appropriate, was the witness capable of making concessions not favourable to their position, or were they self-serving?

Issue A

[187] Based on the uncontroverted evidence before us, the Tribunal finds that Mr. Ghadrdoust was licensed as a mortgage agent Level 1 from July 1, 2008, to March 31, 2023. At all relevant times, he was licensed through Dream Land. There is no evidence or suggestion by either party that Mr. Ghadrdoust was acting on behalf of his mortgage brokerage, Dream Land, during his dealings with FA and her husband.

[188] The onus is on FSRA to persuade the Tribunal, on a balance of probabilities that Mr. Ghadrdoust contravened section 2(3) of the Act. To do so we must find on a balance of probabilities that Mr. Ghadrdoust "dealt in mortgages" in accordance with the definition of that term in section 2(1) the Act, for remuneration while not acting on behalf of his brokerage.

[189] The real issues of credibility on whether Mr. Ghadrdoust was dealing in mortgages contrary to section 2(3) of the Act are between FA on the one hand, and Mr. Ghadrdoust and Ms. Kadivar on the other. The panel found that *McBennett* factors 3, 4, 6, 7, 10 and 12 were applicable to the evidence given to us by Mr. Ghadrdoust at the hearing.

[190] FA testified that she and her husband were seeking to purchase a property in 2020 and they required a mortgage. They were referred to Mr. Ghadrdoust by a friend whom she named and they met Mr. Ghadrdoust at his office in April 2021 where they discussed the amount of mortgage they could obtain based on their income. Both parties are Farsi speakers.

[191] To assist them with obtaining the mortgage, FA testified that they provided Mr. Ghadrdoust with documents he requested, including credit reports and drivers' licenses. This testimony is

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confirmed by consistent email communications with attachments between FA and Mr. Ghadrdoust - McBennett factor 3.

[192] Mr. Ghadrdoust denied that he arranged a mortgage for FA and her husband because they signed an unconditional agreement of purchase and sale on a property for $1.8 million after he told them that could only afford a $1.2 million property. He testified that he provided information to FA and her husband for free because they have a son who got along with his daughter, who is about the same age, and he had lunch with them twice. McBennett factor 10.

[193] FA testified that Mr. Ghadrdoust arranged the CIBC mortgage and sent them the mortgage approval and, after that, he told them to go to the bank to sign the mortgage documents and they did. FA indicated that, on the morning of the closing, Mr. Ghadrdoust told them they needed $500,000 more in the lawyer's trust account. She was able to get $250,000 from her credit line and from family and friends, and Mr. Ghadrdoust told her he could help by asking Ms. Kadivar to lend them the other $250,000 for one month. She was at the bank attending to the closing when she received the promissory note related to the loan from the numbered company. She did not know what the document was, so she called Mr. Ghadrdoust who told her to sign it as part of the closing, and she signed electronically. McBennett factor 4.

[194] Mr. Ghadrdoust does not deny that he referred FA and her husband to a new lawyer, Mr. Khalid, after they needed an extension of the closing date. Mr. Khalid acted for FA and her husband in the purchase transaction. On the day of closing, Mr. Khalid sent FA and her husband an email, copied to Mr. Ghadrdoust, with his statement of receipts and disbursements related to the mortgage, showing a payment of $19,068.75 to Mr. Ghadrdoust. In response to a question as to why Mr. Khalid copied Mr. Ghadrdoust on this email, FA testified, that it was because he was their mortgage broker. McBennett factors 3 and 4.

[195] In support of her assertion that Mr. Ghadrdoust was arranging the mortgage financing for their purchase, text messages between FA and Mr. Ghadrdoust were introduced into evidence. These text messages appear to show Mr. Ghadrdoust's involvement in the arrangement of the financing. On January 31, 2022, six weeks after the closing of the transaction, in an email to Mr. Khalid, FA asks about Mr. Ghadrdoust's commission. McBennett factor 3.

[196] Mr. Ghadrdoust denies FA's assertion that he was the mortgage broker in this transaction. However, FA was not the only person involved in the transaction who appeared to view Mr. Ghadrdoust as the broker. In the cross-examination of FA, counsel for the Applicant referred her to a handwritten note dated 12/02/22 attributed to the lawyer Mr. Khalid. She confirmed the first portion of the first line that the "deal was referred by F [partially redacted] (agent)". The second part of that first line is "+ Raouf (broker)." From this notation, it appears that the lawyer who acted in this transaction was also of the view that Mr. Ghadrdoust was the broker. McBennett factor 3.

[197] One of the *McBennett* factors which was not argued by counsel for the Respondent was factor number 12: Where appropriate, was the witness capable of making concessions not favourable to their position, or were they self-serving?

[198] We find that this factor weighs against Mr. Ghadrdoust's credibility, as he was unable to make an appropriate concession that was not favourable to him. When confronted with the text messages between himself and FA that appear to show him making arrangements for the mortgage financing in this matter, Mr. Ghadrdoust testified that the text messages were altered by FA because she had been a computer programmer, and that we should not trust the messages because no metadata had been provided to verify their authenticity. He indicated that the messages did not have the same type of appearance as the text messages he produced.

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[199] In cross-examination, Mr. Ghadrdoust testified that he uses an iPhone and never had an Android. He admitted that the messages he was shown were likely from an Android operating system because of the symbols at the bottom of the screenshots. In addition, emails sent from FA to each of Mr. Ghadrdoust and Mr. Khalid that were included in the Agreed Book of Documents, specifically identify that FA's email was sent from an Android phone. Despite this, Mr. Ghadrdoust continued to claim that FA had altered the text messages.

[200] At this point, we want to clarify that we understood Ms. Debowski's evidence respecting the text messages to be different than how counsel for the Applicant appeared to describe it. Namely, she simply reviewed the messages in FSRA's files and had no information about who they had been given to or whether they had come directly from FA or not. She had not reviewed the phone to see if the messages were set out correctly or checked the metadata to confirm authenticity. Whereas it appeared that Mr. Baxi had been suggesting that no one at FSRA knew whether the messages had come directly from FA or not, that no one at FSRA had reviewed FA's phone, and that no one at FSRA had checked the metadata.

[201] When questioned as to why FA would make this complaint against him, Mr. Ghadrdoust testified that he believed FSRA forced her to. He suggested FA and FSRA were conspiring against him.

[202] The Tribunal finds that it is inherently improbable and implausible (McBennett factor 10) that Mr. Ghadrdoust would undertake all the activities that he did in connection with the financing of the purchase of the property by FA and her husband if he was not acting as their mortgage agent. We find a practical and informed person would not find reasonable Mr. Ghadrdoust's explanation that he undertook activities from at least April 2021 to January 2022 for free because their children were the same age and that he had had lunch with FA and her husband on two occasions.

[203] The Tribunal finds that Mr. Ghadrdoust arranged the CIBC mortgage for FA and her husband and, when further financing was required, he arranged part of that funding through a company that he had transferred to a friend and former employee nine months prior to the transaction.

[204] Based on all the evidence and submissions, the Tribunal finds, on a balance of probabilities, that Mr. Ghadrdoust dealt in mortgages for remuneration while not acting on behalf of his brokerage, and received the fee for doing so from a person other than his brokerage contrary to section 2(3) of the Act.

Issue B

[205] FA testified that she and her husband did not borrow $20,000 from Mr. Ghadrdoust. When she saw the payment of $19,068.75 to Mr. Ghadrdoust in the statement of receipts and disbursements (described as "Paid Raouf Ghadrdoust Direction") she did not know what it was for. In cross-examination, she indicated that when she asked Mr. Khalid what the $19,068.75 payment was for, he told her to ask Mr. Ghadrdoust. This exchange suggests that the direction to the lawyer to pay Mr. Ghadrdoust did not come FA and her husband, but from Mr. Ghadrdoust who referred her to Mr. Khalid and who was copied on the email. McBennett factors 3 and 4.

[206] In support of his assertion that this amount was repayment of a loan, Mr. Ghadrdoust introduced into evidence an undated handwritten note that he testified he wrote. The note reads: "I paid in advance 18,000$ to Mrs. A from my Td Bank and 2000$ from my pocket. Total $20,000. They told me they will pay me back at the closing." Attached to this document is Mr. Ghadrdoust's bank statements showing highlighted cash withdrawals of $3,000 on October 18, 2021, $4,000 on October 29, 2021, $3,500 on December 1, 2021, $4,000 on December 6, 2021, and $3,500 on December 7, 2021.

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[207] While Mr. Ghadrdoust attempted to bolster his version of events by introducing these documents into evidence, a practical and informed person would find it unreasonable that he went to the bank five times over an extended period to withdraw cash which he gave to FA and her husband. Further, no evidence was adduced in the hearing that they met in person during this time, namely between October 18 and December 7, 2021. His undated, handwritten, unsigned note was not a document signed by FA or her husband and does not add credence to his evidence that he loaned FA and her husband $20,000. McBennett factor 10.

[208] Nooshin Kadivar was called as a witness by the Applicant but she did not know whether Mr. Ghadrdoust was paid by FA or if Mr. Ghadrdoust loaned $19,000 to FA. In cross-examination, Ms. Kadivar testified that, as a real estate agent, she does refer people to other professionals but she doesn't know whether the professionals charge a fee for their services. She acknowledged that Mr. Ghadrdoust is a mortgage broker and she admitted that she helps her friends.

[209] In her concerted effort to avoid saying anything that she felt could hurt Mr. Ghadrdoust's case, the panel finds Ms. Kadivar's testimony on this issue unhelpful as it was evasive, strategic and hesitant. McBennett factor 11

[210] Based on the evidence and submissions we received, the panel finds, on a balance of probabilities, that Mr. Ghadrdoust received a fee of $19,068.75 from FA and her husband for arranging the mortgage and the further financing, contrary to section 4(1) of Ontario Regulation 187/08.

C. Did Mr. Ghadrdoust contravene section 3.1 of Ontario Regulation 187/08 by acting in circumstances where he ought to have known that by acting he was being used to facilitate dishonesty?

Legislation – Issue C

[211] Section 3.1 of Regulation 187/08 provides that, **"**A mortgage broker or agent shall not act, or do anything or omit to do anything, in circumstances where he or she ought to know that by acting, doing the thing or omitting to do the thing, he or she is being used by a borrower, lender, investor or any other person to facilitate dishonesty, fraud, crime or illegal conduct."

Respondent's Submissions – Issue C

[212] The Respondent submits that if the panel accepts FA's testimony on the documentary evidence, then Mr. Ghadrdoust contravened section 3.1 of Ontario Regulation 187/08.

[213] Mr. Ghadrdoust arranged the CIBC commitment. The CIBC commitment contained a provision that prohibited secondary financing and Mr. Ghadrdoust admitted that, in general, he was familiar with such provisions.

[214] Despite this provision that prohibited secondary financing, Mr. Ghadrdoust arranged the promissory note from 2501585, and subsequently the 2501585 mortgage.

[215] A breach of section 3.1 of Ontario Regulation 187/08 does not require actual knowledge by Mr. Ghadrdoust that he was being used to facilitate dishonesty. The provision states that it is sufficient that Mr. Ghadrdoust "ought to know". Since he arranged the CIBC commitment, he ought to have known the provisions of the commitment and, since he admitted that he was in general familiar with such provisions, that is sufficient to find that in further arranging the secondary financing he breached the section.

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Applicant's Submissions – Issue C

[216] The Applicant submits that, to establish this allegation, FSRA had to prove that Mr. Ghadrdoust arranged the 2501585 loan and that he knew the CIBC commitment prohibited it. FSRA has not proved either element.

[217] Ms. Kadivar's evidence is that the loan was hers to make and she made it. The promissory note names 2501585 as the lender, not Mr. Ghadrdoust. Mr. Ghadrdoust's email communications with the borrowers, which predate any complaint, are consistent with his evidence that the private mortgage funds belonged to a lender he knew and were not his own.

[218] The further encumbrance covenant in the CIBC commitment was a covenant of the borrowers, not of Mr. Ghadrdoust, who was not a party to it. The second mortgage was registered in April, 2022, months after the December 2021 closing. FA herself did not know of the prohibition until FSRA told her. Mr. Ghadrdoust's evidence, which was not contradicted, is that CIBC does not deal with brokers, that this financing could not have been placed through CIBC or through his brokerage and that he did not place it. There is no evidence that he knew of the CIBC prohibition, let alone that he set out to defeat it.

Analysis and Finding – Issue C

[219] The Applicant submitted that, to establish that Mr. Ghadrdoust arranged the second mortgage or facilitated dishonesty, FSRA must prove that he arranged the 250158 loan, and that he knew the CIBC commitment prohibited it.

[220] On 29 September 2021, FA and her husband entered into an agreement to purchase a Newmarket property for $1,840,000. FA testified that they needed mortgage financing to complete the transaction. Under Issue A above the Tribunal has found, on a balance of probabilities, that Mr. Ghadrdoust arranged the CIBC commitment.

[221] The CIBC commitment, dated December 3, 2021, was for $1,125,000 and is signed by the CIBC representative on page 3 but it is not signed by the borrowers. Page 6, paragraph 20 of the 23-page Home Power Plan Agreement which forms part of the commitment provides:

> "20. Further Encumbrances
> Except for the registered mortgage/charge, you will not encumber, hypothecate or charge the property without our written consent. If you breach this obligation we may do any one or more of the following:
>
> - refuse to provide you with additional mortgage loans;
> - refuse to advance you any money under the line of credit; or
> - demand that you pay the full amount of your CIBC Home Power Debt immediately, including any prepayment charges that apply as a result of prepaying the mortgage loan."

[222] FA testified that she received the CIBC commitment from Mr. Ghadrdoust and he instructed her to go to the bank to sign the documents. She testified that she did not see this clause in the commitment until it was pointed out to her by employees at FSRA after the closing of the purchase when she filed a complaint with them about Mr. Ghadrdoust.

[223] Considering his years of experience as a mortgage agent, Mr. Ghadrdoust knew or ought to have known what provisions would be contained in the CIBC commitment, including the prohibition contained in paragraph 20 of that commitment.

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[224] FA and her husband intended to finance the balance of the purchase price by financing another property they owned in Pemberton. On the day of closing when they realized that refinancing of their Pemberton property would not take place in time for the closing of the Newmarket property, they borrowed $250,000 from their line of credit, family and friends, and Mr. Ghadrdoust informed them he could get a friend to help by lending them $250,000 for one month.

[225] FA received the promissory note between 2501585 and FA and her husband on December 15, 2021, while they were at the bank for the closing of the transaction. She did not know what the document was or who the lender was so she called Mr. Ghadrdoust who told her to sign the documents and she did sign electronically.

[226] Ms. Kadivar testified that FA is a friend of a friend and she came to know her in 2020 or 2021. FA shared with her that she was purchasing a home but she did not have enough funds for the closing. FA asked if she could help her, and Ms. Kadivar said she could, if FA wanted the funds for 30 days. Ms. Kadivar is a real estate agent and had previously worked part-time with Mr. Ghadrdoust but stopped in 2022. Mr. Ghadrdoust did not refer her to FA, and the funds were her funds. The funds were advanced through her company, 2501585, supported by a promissory note. Mr. Ghadrdoust was previously the sole owner of this company, but he transferred it to her and she became a director and president in September 2019, and the sole director in 2021.

[227] Ms. Kadivar's evidence is that the promissory note was prepared for her by Mr. Khalid and there is no note of a brokerage fee being paid to Mr. Ghadrdoust. The funds were loaned in December 2021, and were to be repaid in one month. When it was not repaid in one month, Mr. Khalid prepared for her a forbearance agreement relating to the default on the promissory note and sent it to FA on her behalf. The forbearance agreement agreed to hold off on enforcing the security subject to certain conditions.

[228] The most objective view that can be taken of all the evidence is that, on the day of closing, December 15, 2021, Mr. Khalid was the legal representative of FA and CIBC, while acting also for Ms. Kadivar and her company, 2501585. Information was being shared selectively between all the parties, and Mr. Ghadrdoust was orchestrating who would receive what information and when.

[229] Based on clear, cogent and convincing evidence, the Tribunal finds, on a balance of probabilities, that Mr. Ghadrdoust was very much aware that the CIBC commitment was a first charge against the Exceller property and it did not allow further encumbrances without the written consent of CIBC. Nevertheless, on the day of closing when the transaction was in jeopardy and his chances of collecting a commission were fading, Mr. Ghadrdoust did what he knew or ought to have known was not permitted – he facilitated the borrowing of the $250,000 from his former company then owned by his colleague and former assistant, Ms. Kadivar. Given his 15 years as a mortgage agent, Mr. Ghadrdoust knew or ought to have known that this scheme was being used to facilitate dishonesty, in contravention of s. 3.1 of Ontario Regulation 187/08.

[230] We find that Mr. Ghadrdoust acted to arrange secondary financing for FA and her husband in circumstances where he knew that by doing this he was facilitating illegal conduct contrary to Section 3.1 of Regulation 187/08. More specifically, Mr. Ghadrdoust was being used by the lender 2501585 (which was really being influenced by him) to facilitate dishonesty.

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D. If the answer to issues (a), (b), and/or (c) is yes, is the imposition of administrative penalties appropriate under section 39 of the Act and will it serve the purposes of section 38 of the Act?

[231] The Tribunal has found that the answers to each of issues (a), (b) and (c) are yes. We must, therefore, consider whether the imposition of administrative penalties are appropriate under section 39 of the Act and will serve the purposes of section 38 of the Act.

The Legislation

[232] Section 39 of the Act allows FSRA to impose administrative penalties

[233] Section 38(1) provides that an administrative penalty may be imposed under section 39 of the Act for either of the following purposes:

1. To promote compliance with the requirements established under this Act.
2. To prevent a person or entity from deriving, directly or indirectly, any economic benefit as a result of contravening or failing to comply with a requirement established under this Act.

Submissions

Promoting compliance with the requirements of the Act

[234] The Respondent submitted that the purpose of promoting compliance with the Act is not just aimed at the subject of the administrative penalty, Mr. Ghadrdoust, but also aimed at promoting compliance by other persons with requirements under the Act [*Harold Gerstel and Harold the Mortgage Closer Inc. v. Ontario (CEO of FSRA)*, 2025 ONFST 2 at paragraph 47]. An administrative penalty would promote compliance by demonstrating to Mr. Ghadrdoust and other mortgage agents that breaching the Act will result in administrative penalties or other regulatory action.

[235] The Applicant submitted that the Respondent has not proven that Mr. Ghadrdoust contravened the Act and, therefore, there is no basis for the imposition of administrative penalties.

Analysis and Findings

[236] The provisions of the Act and regulations breached by Mr. Ghadrdoust are “not an administrative, technical or minor requirement” but are “necessary for the proper functioning of the mortgage industry”. The Tribunal must therefore “deter anyone involved in the mortgage industry from engaging in the kinds of acts and omissions …displayed in this matter.” [refer to *Gulati v. Ontario (Superintendent Financial Services*), 2018 ONFST 4, at para 105].

[237] Administrative penalties are justified where the Applicant “dealt with the Borrowers outside his brokerage thereby depriving them of important regulatory protections and he attempted to mislead the Tribunal with false and manipulative testimony.” [refer to *Harold Gerstel, Harold the Mortgage Closer Inc. and Esther Gerstel Inc. v. Ontario (CEO of FSRA)*, 2026 ONFST 4, at para. 318.

[238] Ms. Stephens testified that part of the protection provided by requiring that all funds flow through a brokerage ensures that fees charged are reasonable and appropriate, and the dealings of the broker or agent comply with the Act and its regulations, and potential or existing conflicts of interest are disclosed to the customer.

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[239] In this case, Ghadrdoust referred FA and her husband to Mr. Khalid who also acted for CIBC and 2501585 which was previously owned by Mr. Ghadrdoust and transferred to his friend and former assistant. When FA and her husband were not able to repay the $250,000 to 2501585 in one month, they had to enter into a forbearance agreement and eventually received a Notice of Sale on their newly purchased home. By circumventing compliance with the Act and not disclosing conflicts of interest that existed, Mr. Ghadrdoust denied FA and her husband the oversight that a brokerage would have provided.

To prevent a person or entity from deriving any economic benefit

Submissions

[240] The Respondent argued that Mr. Ghadrdoust received a direct economic benefit of $19,068.75 from his contraventions of the Act. Imposing administrative penalties will prevent him from keeping this benefit.

Analysis and Findings

[241] The second purpose for imposing administrative penalties is to prevent a person or entity from deriving, directly or indirectly, any economic benefit as a result of contravening or failing to comply with a requirement established under this Act.

[242] The evidence is uncontroverted that Mr. Ghadrdoust received $19,068.75 from the trust fund of the lawyer acting for FA and her husband. The Tribunal has already found that Mr. Ghadrdoust contravened or failed to comply with a requirement under the Act when he received this economic benefit for arranging at least two mortgages outside Dream Land, his authorized mortgage brokerage. Mr. Ghadrdoust has attempted to disguise this payment as repayment of a loan. He has shown no remorse for his actions and has gone so far as to claim that this matter is only before the Tribunal because FSRA encouraged FA to make a complaint.

[243] Taking into consideration all the evidence and the submissions, the Tribunal finds that the imposition of administrative penalties against Mr. Ghadrdoust is appropriate under section 39 of the Act and will serve the purposes of section 38 of the Act.

E. If the answer to issue (d) is yes, what is the appropriate quantum for the administrative penalties considering the five criteria in section 3 of Ontario Regulation 192/08?

[244] The Notice of Proposal issued by FSRA on September 3, 2024, proposed the following penalties:

(i) Refuse to renew the mortgage agent licence issued to Raouf Ghadrdoust;

(ii) $10,000 for receiving remuneration from a person other than his brokerage, contrary to subsection 4(1) of Ontario Regulation 187/08; and

(iii) $5,000 for facilitating dishonesty, contrary to section 3.1 of Ontario Regulation 187 /08.

[245] Section 3 of Ontario Regulation 192/08 requires the Tribunal to consider the following criteria, which have been summarized, when determining the amount of an administrative penalty to be imposed under sections 38 and 39 of the Act:

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1. The degree to which the contravention was intentional, reckless or negligent.
2. The extent of the harm/potential harm to others.
3. The extent to which the person tried to mitigate any loss or to take other remedial action.
4. The extent to which the person derived or reasonably might have expected to derive, any economic benefit.
5. Any other contraventions or failures to comply with a requirement established under the Act or with any other financial services legislation of Ontario or of any jurisdiction during the preceding five years by the person.

The degree to which the contravention was intentional, reckless or negligent.

[246] Mr. Ghadrdoust was a licensed mortgage agent for 13 years. It was his responsibility to know statutory rules and regulations and to follow them to protect the consumer. He understood, as happened in this case, that people relying on mortgage agents put their trust and faith in licensees to know their responsibilities [refer to *Singh v. Ontario (CEO of FSRA)*, 2024 ONFST 11, at para. 38]. He admitted in evidence that he knew that, as a licensed mortgage agent, he could not take funds outside his mortgage brokerage for arranging mortgages.

[247] His contravention was not a single short-lived episode. He dealt with FA and her husband from the middle of 2020 to at least the end of 2021 and arranged two mortgages on their behalf.

[248] In *Yashna Singh v. Ontario (CEO of FSRA)*, 2025 ONFST 14 **(Yashna Singh),** at para. 12 and 60 the Tribunal held that taking funds outside of the brokerage is “not innocent mistakes”, but rather, it is “intentional conduct”. Mr. Ghadrdoust’s elaborate scheme to attempt to obscure the reason for the receipt of the $19,068.75 outside the brokerage can only be described as intentional. When the written evidence such as emails and text messages pointed to his involvement in arranging the mortgages in question, he sought to discredit that evidence by testifying that FA had used her computer programming knowledge to change the documents. As described in *First Commonwealth Mortgage Corp. v. Ontario (Superintendent of Financial Services)*, 2015 ONFST 13, at para. 25*,* this was intentional disobedience of the law and is at the “most severe end” of “moral turpitude”.

The extent of the harm or potential harm to others

[249] As a result of Mr. Ghadrdoust’s contravention of the Act and regulations, FA and her husband suffered substantial harm. FA testified that, although they did not lose the property, they were forced to pay approximately $80,000 in fees, penalties and interest. In addition to the financial loss, FA testified that her husband fell into a severe depression from which he has not recovered. Due to the stress caused by Mr. Ghadrdoust’s actions, FA testified she was unable to have a second child. As she stated, “Mr. Ghadrdoust ruined our lives”.

[250] By circumventing the oversight of Dream Land and accepting a fee outside the brokerage, Mr. Ghadrdoust undermined the consumer oversight protections under the Act and regulations and put confidence in the mortgage industry at risk [refer to *Singh v. Ontario (CEO of FSRA)*, 2024 ONFST 11, at paras. 32]

[251] In arranging the loan with 2501585 contrary to the CIBC commitment, Mr. Ghadrdoust also increased the risk of FA and her husband defaulting on their CIBC mortgage or having CIBC call their mortgage and forcing the sale of the property.

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Mitigation of any loss or other remedial action

[252] Mr. Ghadrdoust has taken no remedial action. He has not repaid the $19,086.75 commission he took from FA and her husband. In his testimony, he accused FSRA of encouraging FA to make the complaint and ruining his name in the community. He has not taken any responsibility for his actions. To the contrary, Mr. Ghadrdoust put misleading evidence before the Tribunal to attempt to obscure his actions in this matter.

Economic benefit from the contravention

[253] Mr. Ghadrdoust received a direct economic benefit of $19,068.75 from breaching the Act. There was also an indirect economic benefit for 2501585, which was then owned by his colleague, of interest and other payments.

Other contraventions or failures in the last 5 years to comply with a requirement established under the Act or other specified legislation

[254] FSRA did not provide any evidence that Mr. Ghadrdoust had any other contraventions or failures to comply with such other requirements.

[255] The Tribunal, therefore, does not take this factor into account when assessing the appropriate administrative penalties.

Appropriate Quantum of Administrative penalties

[256] Having considered the five criteria set out in section 3 of Ontario Regulation 192/08, the Tribunal finds that the imposition of $15,000 in administrative penalties is appropriate for the purpose of promoting compliance with the Act and preventing Mr. Ghadrdoust from gaining economic benefits from contravening the Act.

F. If the answer to issues (a), (b), and/or (c) is yes, is Mr. Ghadrdoust suitable to be licensed as a mortgage agent under the Act?

The Legislation

[257] Section 16(4) of the Act provides that FSRA shall renew the licence of an applicant who satisfies the prescribed requirements unless FSRA believes, on reasonable grounds, that the applicant is not suitable to be licensed.

[258] The three prescribed circumstances for determining whether an individual is suitable to be licensed are set out in section 10 of Ontario Regulation 409/07:

1. Whether past conduct affords reasonable grounds to believe the applicant will not trade in mortgages in accordance with the law and with integrity and honesty;
2. Whether the applicant is carrying on activities that contravene the Act or the regulations, or will do so if they are licensed;
3. Whether the applicant has made a false statement or provided false information in connection with the application for the licence.

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Submissions, Analysis and Findings

Applicant's Submissions – Issue F

[259] The Applicant submitted that FSRA has not discharged its burden of proving on clear, convincing and cogent evidence that Mr. Ghadrdoust contravened the Act. He therefore asks the Tribunal to dismiss the proposal, to set aside the administrative penalties and direct the renewal of his licence.

Respondent's Submissions, Analysis and Panel Findings – Issue F

[260] FSRA submitted that it is relying on the first test for determining whether an individual is suitable to be licensed: whether the individual's past conduct affords reasonable grounds for belief that he will not deal or trade in mortgages in accordance with the law and with integrity and honesty.

[261] "Reasonable grounds for belief" as used in the above test and in section 16 of the Act is a lower standard than balance of probabilities. In *Mugesera v. Canada (Minister of Citizenship and Immigration)* (**Mugesera**), 2005 SCC 40, at para 114, the Supreme Court of Canada held that "the reasonable grounds to believe" standard requires something more than mere suspicion, but less than the standard applicable in civil matters of proof on the balance of probabilities."

[262] In determining the appropriate standard, the Ontario Court of Appeal applied *Mugesera* in *Ontario (Alcohol and Gaming Commission of Ontario v. 751809 Ontario Inc. (Famous Flash Gordon's*), 2013 ONCA 157 at paragraph 19, to find that the Registrar only has to show reasonable grounds for belief that the licensee would not carry on business with integrity and honour. The Registrar didn't have to show that the conduct makes it more likely than not that he won't carry on business as required.

[263] As previously noted in our decision, the Tribunal summarized the test in *Faridi v. Ontario (CEO of FSRA),* 2024 ONFST 18, at paragraph 12:

> In short, "reasonable grounds to believe" requires something more than mere suspicion, but less than a balance of probabilities. There must be an objective basis for the belief, which is based on compelling and credible evidence.

[264] The Tribunal agrees with FSRA that the "reasonable grounds to believe" test is correctly articulated in these decisions.

[265] The framework used by this Tribunal for determining whether there are reasonable grounds for belief that an individual will not deal or trade in mortgages with integrity and honesty is set out in *Henderson v. Ontario (Superintendent of Financial Services*), 2008 ONFST 7, at paragraph 9.

[266] The considerations relevant in this case are as follows:

1. the time that has elapsed since the conduct occurred;
2. the prolonged or repetitive nature of the conduct;
3. the advertent or inadvertent nature of the conduct;
4. the extent to which the conduct can be taken to call into question the integrity, honesty or law abiding nature of the individual;

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5. the closeness of the context of the conduct to the context of activities in which the individual would be engaged as a mortgage agent;

6. any unusual and severe pressure the individual was under at the time of the conduct that would explain the conduct but is unlikely to reoccur;

7. any consistent and prolonged pattern of reformed or redeeming behaviour on the part of the individual since the conduct occurred.

[267] Importantly, *Henderson* makes the point that the list of considerations isn't exhaustive and it's not required that a particular number of considerations must be found to exist in the circumstances in order to disqualify a mortgage agent from holding a licence.

[268] FSRA submitted that while the factors in *Henderson* are not intended to be exhaustive [refer to *Joshi v. Ontario (Superintendent of Financial Services)*, 2016 ONSC 4477, at para 21], the analysis of the factors support FSRA's position.

1. Time that has elapsed since the conduct

[269] Mr. Ghadrdoust's misconduct is recent. He dealt in mortgages outside of his brokerage in 2021. This was less than three years before FSRA's Notice of Proposal was issued. In *Henderson*, the Tribunal characterized a six-and-a-half year period between the conduct giving rise to the revocation of the applicant's licence and the application for a mortgage agent's licence as a "relatively short period of time".

[270] The panel finds that Mr. Ghadrdoust's misconduct was recent.

2. Prolonged or repetitive nature

[271] Mr. Ghadrdoust worked with FA and her husband outside of his brokerage for more than a year. During that period, Mr. Ghadrdoust dealt with several potential lenders and eventually secured two sources of financing for the purchase of the property.

[272] While it is not possible to set a definitive amount of time that can be considered as "prolonged", the panel finds that in this case, Mr. Ghadrdoust's perseverance of his goal over the period of a year makes his conduct prolonged.

3. Advertent or inadvertent nature

[273] As stated above, the panel finds Mr. Ghadrdoust's conduct was advertent. He had been a mortgage agent for 13 years at the time of his conduct and knew or ought to have known that he could not arrange mortgages outside of his authorized mortgage brokerage. He deliberately chose to deal with these mortgages outside his brokerage and to obtain a fee from a source other than his brokerage for those services.

4. The extent to which the conduct can be taken to call into question the integrity, honesty, or law-abiding nature of the individual

[274] Ms. Stephens testified that the integrity of the regulatory scheme is dependent on prohibiting mortgage agents from taking funds from a source other than their brokerage. In *Yashna Singh* at paragraph 13, the Tribunal characterized taking funds outside the brokerage as a "significant and fundamental breach of regulatory requirements" and held that it risks the "integrity of the regulatory system".

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[275] The panel has dealt above with the credibility of Mr. Ghadrdoust and will not repeat our findings here. It is sufficient to say that there is cogent and convincing evidence to show that he arranged the CIBC mortgage and received a fee for the service outside of his brokerage, and then arranged a second loan-turned-mortgage that breached a significant clause of the first mortgage.

[276] The panel finds that these actions call into question his integrity, honesty, or law-abiding nature.

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5. The closeness of the context of the conduct to the context of activities in which the individual would be engaged as a mortgage agent

[277] The context of Mr. Ghadrdoust's conduct in this case - arranging mortgages for clients - is exactly the activity he would ordinarily be involved in as a mortgage agent. If he is re-licensed, he will have the opportunity to continue to act outside his brokerage for remuneration, and strip clients of the protection the regulatory scheme provides by charging them directly for his services.

6. Any unusual and severe pressure the individual was under at the time of the conduct that would explain the conduct but is unlikely to reoccur

[278] No evidence or information before the Tribunal to suggest that Mr. Ghadrdoust was under any unusual pressure at the time of the misconduct.

7. Any consistent and prolonged pattern of reformed or redeeming behaviour on the part of the individual since the conduct occurred

[279] There has not been any evidence of reformed or redeeming behaviour put before the Tribunal. To the contrary, Mr. Ghadrdoust testified that there was no misconduct on his part. He has not repaid the funds that he received outside the brokerage from FA. He has not taken responsibility for his actions and he continues to blame others for the predicament in which he finds himself. As found in *Asnafi, et al v. Ontario (CEO of FSRA)*, 2026 ONFST 9 at para. 148, since Mr. Ghadrdoust "did not take full accountability for his actions, there is a significant risk he would also contravene the legislation in the future if he is licensed."

Would a lesser penalty than loss of licence be sufficient?

[280] It is important to consider if there is a lesser penalty that could be imposed on Mr. Ghadrdoust than loss of his licence as it means he will lose, at least for a period, the livelihood he practiced for over a decade. We note that section 8 of Ontario Regulation 409/07 permits the Applicant to apply again for his licence if 12 months have passed and he is able to supply new or other evidence that circumstances have materially changed.

[281] The Applicant did not make any submissions in this respect, but the Respondent did address in their submissions why setting conditions on Mr. Ghadrdoust's licence and/or requiring supervision of his activities would not be sufficient to protect the public.

[282] The Respondent submitted that conditions and supervision both require an applicant to be an active participant in making sure the conditions are met and the supervision is successful. Conditions and supervision can work where there are concerns about competency, and the applicant has a strong desire to improve their competence. But if there is a concern about integrity or trustworthiness, an expectation that a supervisor would be successful is unrealistic and would place too high a burden on the supervisor. It will not be sufficient to act as a cure, protect the public and maintain the public's confidence in the industry. [Refer to *Graham v. Ontario (CEO of FSRA)*, 2024

ONFST 7 at paragraph 53 and *Bajwa v. Ontario (Superintendent of Financial Services)*, 2019 ONFST 6, at paragraph 62].

[283] In fact, Mr. Ghadrdoust was already in a relationship with Dream Land, a brokerage which would have assisted Mr. Ghadrdoust in complying with applicable legislative requirements, if he had wanted to do so. Under the circumstances, there is a significant risk that Mr. Ghadrdoust would continue to act outside of his brokerage and would also act outside of the oversight of a supervisor.

[284] The panel finds that FSRA has established on clear, convincing and cogent evidence that Mr. Ghadrdoust's past conduct affords reasonable grounds to believe that he will not deal or trade in mortgages in accordance with the law and with integrity and honesty. We find that there are reasonable grounds to believe that Mr. Ghadrdoust is not suitable to be licensed as a mortgage agent and that renewing his licence with conditions and/or supervision would not suffice.

IV. CONCLUSION

[285] In conclusion, the panel considered the evidence put in front of us, the submissions of the parties, and the legislative scheme and found Mr. Ghadrdoust contravened the Act and regulations. The panel answered the six issues for determination as follows:

A. Did the Applicant contravene section 2(3) of the Act by dealing in mortgages for remuneration while not acting on behalf of his mortgage brokerage? *Yes.*

B. Did the Applicant contravene section 4(1) of Ontario Regulation 187/08 by receiving a fee from a person other than the brokerage on whose behalf the Applicant was authorized to deal or trade in mortgages? *Yes.*

C. Did the Applicant contravene section 3.1 of Ontario Regulation 187/08 by acting in circumstances where he ought to have known that by acting he was being used to facilitate dishonesty? *Yes.*

D. If the answer to issues (a), (b), and/or (c) is yes, is the imposition of administrative penalties appropriate under section 39 of the Act and will it serve the purposes of section 38 of the Act? *Yes*

E. If the answer to issue (d) is yes, what is the appropriate quantum for the administrative penalties considering the five criteria in section 3 of Ontario Regulation 192/08? *$15,000*

F. If the answer to issues (a), (b), and/or (c) is yes, is the Applicant suitable to be licensed as a mortgage agent under the Act? *No.*

V. ORDER

[286] The panel orders FSRA to:

1. proceed to implement its proposal to refuse to issue a mortgage agent's licence to Raouf Ghadrdoust; and

2. impose administrative penalties of $15,000 on Mr. Ghadrdoust.

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DATED at Toronto, this 1st day of October, 2026.



Bethune Whiston



Allan Shapira



Verlyn Francis

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