



**IN THE MATTER OF A DISCIPLINE HEARING HELD PURSUANT TO THE
REAL ESTATE AND BUSINESS BROKERS ACT, 2002, S.O. 2002, c. 30, Sch. C**

BETWEEN:

REAL ESTATE COUNCIL OF ONTARIO

- AND -

PAVANDEEP KAUR CHAHAL (a.k.a. PAVAN CHAHAL)

DISCIPLINE DECISION AND REASONS FOR DECISION

Subject to Rule 4.02 of the Discipline and Appeals Committee Rules of Practice (*REBBA 2002*), I, the Chair of the Discipline Committee (*REBBA 2002*) have reviewed and considered the Agreed Statement of Facts and Penalty together with the Waiver of Hearing submitted by the Parties to this proceeding and provide the following Order:

FINDINGS: In violation of Sections 4, 5 and 38 of the *REBBA 2002* Code of Ethics.

ORDER: Fine of \$4,000.00 payable to RECO on or before May 14, 2020.

WRITTEN REASONS:

REASONS FOR DECISION

INTRODUCTION

This matter proceeded on the basis of an Agreed Statement of Facts and Penalty and Waiver of Hearing, pursuant to Rule 4.02 of the Rules of Practice (*REBBA 2002*).

The Agreed Statement of Facts and Penalty read:

AGREED STATEMENT OF FACTS AND PENALTY

1. **Pavandeep Kaur Chahal**, (a.k.a. Pavan Chahal) ("**Chahal**") is registered as a salesperson under the Real Estate and Business Brokers Act, 2002. At the relevant time, Chahal was employed at the Brokerage A

2. Representative A, the Complainant, was at all relevant times registered as a salesperson at the Brokerage B.
3. Representative B, was at all relevant times registered as a salesperson at the Brokerage C.
4. Seller A ("the Seller") owned a condo located at 1-A Street, City A ("the Property"). The Seller is Chahal's sister.
5. The Seller entered into a Listing Agreement for the Property with Brokerage A, with Chahal acting as the listing sales representative. The Property was offered for sale on the Multiple Listing Service ("MLS") at a price of \$349,900.00.
6. On or about June 29, 2018, at approximately 11:13 a.m., Representative B prepared and submitted an offer on behalf of his buyer client ("the Representative B Offer") to purchase the Property. The Representative B Offer was for \$330,000.00 with a deposit of \$10,000.00. The offer was irrevocable on June 30, 2018, by 8:00 p.m.
7. On or about June 29, 2018, at approximately 9:50 p.m., Representative B sent Chahal an email with a counter offer (the "Counter Offer") for \$340,000.00 with a deposit of \$15,000.00. The Counter Offer was irrevocable on July 2, 2018, by 11:59 p.m.
8. On or about June 29, 2018, at approximately 10:50 p.m., Chahal received a call from Representative A inquiring about submitting an offer on the Property. Chahal explained the Seller's expectations about offers and disclosed that there was already an offer made on the Property.
9. On or about June 30, 2018, at approximately 11:33 p.m., Chahal, acting on behalf of the Seller, prepared a sign back offer ("the Chahal Offer") to purchase the Property. The Chahal Offer was for \$342,500.00 with a deposit of \$15,000.00. The Chahal Offer was irrevocable on July 2, 2018, by 11:59 p.m.
10. On or about July 1, 2018, at approximately 12:09 a.m., Representative A, prepared and submitted an offer via email to purchase the Property on behalf of his buyer client ("the Representative A Offer"). The Representative A Offer was for \$345,000.00 with a deposit of \$10,000.00. The offer was irrevocable on July 2, 2018, by 12:00 p.m.
11. There were now two offers registered on the Property.
12. On or about July 1, 2018, at approximately 8:18 a.m., Chahal on behalf of the Seller, signed back the Representative A's Offer to purchase the Property for \$345,000.00 with a deposit of \$15,000.00. The sign back offer was irrevocable on July 2, 2018 at 12:00 p.m.
13. Chahal on behalf of the Seller had now submitted two sign back offers on the Property.
14. On or about July 1, 2018, at approximately 6:00 p.m., Representative B's buyer clients accepted the Chahal Offer.

15. On or about July 1, 2018, at approximately 7:44 p.m., Chahal emailed Representative A stating the following:

“I am sorry to inform you that the other offer has been accepted. I will keep you posted if there will be any changes. I appreciate you sending a great offer.” [SIC]

16. On or about July 2, 2018, at approximately 9:44 a.m., Representative A’s buyer clients accepted the sign back offer from Chahal.

17. The Seller had now sold the Property to two different parties; Representative B’s buyer clients and Representative A’s buyer clients.

18. On or about July 2, 2018, at approximately 4:06 p.m., Chahal emailed Representative A stating the following:

“As per our discussion and my email to you yesterday, the other offer has been accepted. So this offer is null and void. I’m sorry for the inconvenience.” [SIC]

19. On or about July 6, 2018, Representative A filed a complaint with The Real Estate Council of Ontario concerning the sale of the Property and the conduct of Chahal.

SUMMARY OF AGREEMENTS

It is agreed that Chahal failed to comply with the Code of Ethics as follows:

20. Chahal failed to treat every person involved in the trade fairly, honestly and with integrity by:

A. Allowing, acquiescing in, or failing to counsel the Seller against submitting two sign back offers on the Property without ensuring that the Representative A’s Offer was conditional on the Representative B’s Offer not proceeding, thereby exposing the Seller to potential liability, contrary to s. 4 of the Code of Ethics.

20. Chahal failed to provide conscientious service to her client and failed to demonstrate reasonable knowledge, skill, judgment and competence in providing those services by:

A. Allowing, acquiescing in, or failing to counsel the Seller against submitting two sign back offers on the Property without ensuring that the Representative A’s Offer was conditional on the Representative B’s Offer not proceeding, thereby exposing the Seller to potential liability, contrary to s. 5 of the Code of Ethics.

21. Chahal failed to use her best efforts to prevent error, misrepresentation, fraud or any unethical practice in respect of a trade in real estate by:

A. Allowing, acquiescing in, or failing to counsel the Seller against submitting two sign back offers on the Property without ensuring that the Representative A’s Offer was conditional on the Representative B’s Offer not proceeding, thereby exposing the Seller to potential liability, contrary to s. 38 of the Code of Ethics.

It is agreed that Chahal failed to comply with the following sections of the Code of Ethics:

Best interests

4. A registrant shall promote and protect the best interests of the registrant's clients.

Conscientious and competent service, etc.

5. A registrant shall provide conscientious service to the registrant's clients and customers and shall demonstrate reasonable knowledge, skill, judgment and competence in providing those services.

Error, misrepresentation, fraud, etc.

38. A registrant shall use the registrant's best efforts to prevent error, misrepresentation, fraud or any unethical practice in respect of a trade in real estate.

AGREED PENALTY

PAVANDEEP KAUR CHAHAL (a.k.a. PAVAN CHAHAL), the Respondent, be ordered to pay a penalty of \$4,000.00 on or before May 14, 2020.

By initials below, I, PAVANDEEP KAUR CHAHAL (a.k.a. PAVAN CHAHAL), acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions.

[Respondent's Initials]

By initials below, I, PAVANDEEP KAUR CHAHAL (a.k.a. PAVAN CHAHAL), agree, understand, acknowledge and consent to waive the requirement for a hearing and to request an Order from the Chair of the Discipline Committee that includes this Agreed Statement of Facts and Penalty as a final settlement of this matter.

[Respondent's Initials]

By initials below, I, PAVANDEEP KAUR CHAHAL (a.k.a. PAVAN CHAHAL), acknowledge that I was aware of my right to be represented by Counsel or agent in this matter.

[Respondent's Initials]

By signature below, the Parties agree, acknowledge, understand and consent to the final settlement of this matter by way of this Agreed Statement of Facts and Penalty.

[The Agreed Statement was duly signed by the Parties.]

DECISION OF THE CHAIR

Having reviewed and considered the Agreed Statement of Facts, the Chair of the Discipline Committee (*REBBA 2002*) concluded that the Respondent breached Sections 4, 5 and 38 of the *REBBA 2002* Code of Ethics. The Chair of the Discipline Committee (*REBBA 2002*) is also in agreement with the joint submission of the Parties as to penalty and accordingly makes the following order:

1. **PAVANDEEP KAUR CHAHAL (a.k.a. PAVAN CHAHAL)** is Ordered a Fine of \$4,000.00 payable to RECO on or before May 14, 2020.

[Released: June 20, 2019]