

IN THE MATTER OF

The Registrar, *Trust in Real Estate Services Act, 2002*,
S.O. 2002, Chapter 30, Schedule C, as amended
(formerly, the *Real Estate and Business Brokers Act, 2002*) (the “**Act**”)

- and -

The Registration of **SHAH FARIDI** as a Broker under the Act

NOTICE OF PROPOSAL TO REFUSE REGISTRATION

WHEREAS Shah Faridi (“**Faridi**”) is registered as a broker under the Act;

AND WHEREAS section 13 of the Act provides that the Registrar may refuse to renew a registration if in the Registrar’s opinion a registrant is not entitled to registration under section 10 of the Act;

AND WHEREAS section 14 of the Act provides that where the Registrar proposes to refuse to renew the registration, the Registrar shall serve notice of the proposal on the registrant;

AND WHEREAS in the Registrar’s opinion Faridi is not entitled to registration under section 10 of the Act and the Registrar proposes to refuse to renew the registration for the reasons that follow.

A. REASONS

1. Faridi is not entitled to registration because in the Registrar’s opinion:

- a) Pursuant to section 10(1)(a)(ii) of the Act, Faridi's past and present conduct affords reasonable grounds for belief that Faridi will not carry on business in accordance with law and with integrity and honesty;
- b) Pursuant to section 10(1)(a)(iii) of the Act, Faridi has made false statements in applications for registration and renewal of registration;
- c) Pursuant to section 10(1)(g) of the Act, Faridi's continued registration would be contrary to the public interest.

B. PARTICULARS

IT IS ALLEGED AS FOLLOWS:

Faridi's OMVIC Registration

- 2. In May of 2017, Faridi became registered with the Ontario Motor Vehicle Industry Council ("OMVIC") under the Motor Vehicle Dealers Act ("MVDA") as a motor vehicle salesperson.
- 3. In August of 2018, Faridi registered Company A with OMVIC as a motor vehicle dealer ("the Dealer") under the MVDA.
- 4. On May 19, 2020, because of complaints made against Faridi to OMVIC, the Registrar under the MVDA issued a Notice of Complaint against Faridi and the Dealer.
- 5. On February 4, 2021, a Discipline Decision was issued by the Discipline Committee of OMVIC against Faridi and the Dealer.
- 6. The Decision was the result of the parties reaching an Agreed Statement of Fact and Joint Submission on Penalty.
- 7. The Dealer breached the Code of Ethics under the MVDA by failing to make disclosures on the bills of sale regarding the vehicle history on three vehicles sold in the fall of 2019. In that respect, Faridi had failed to ensure that the Dealer conducted its business in compliance with the Regulations and the Code of Ethics.

8. The sanction included a fine of \$3,600.00 and a condition that Faridi successfully complete the Automotive Certification Course.
9. On March 5, 2021, Faridi took the online examination for the Automotive Certification Course. The examination was administered by Georgian College on behalf of OMVIC.
10. Like all students taking the examination, Faridi agreed not to engage in academic dishonesty, which included not speaking to anyone during the examination, a prohibition on others being in the room, and a prohibition on having unauthorized materials.
11. Georgian College determined that Faridi engaged in academic dishonesty in the examination. Particularly, Faridi received prohibited help from another individual in the room while completing the examination.
12. Georgian College advised Faridi that he received a grade of zero and a suspension from the current term, plus an additional term. Instructions on appealing the decision were provided, but Faridi did not appeal.
13. On May 28, 2021, the Registrar under the MVDA issued a Notice of Proposal to revoke registrations of Faridi and the Dealer. Faridi and his dealership appealed the proposal to the Licence Appeal Tribunal ("LAT").

Faridi's RECO Application For Registration

14. On September 20, 2021, Faridi applied to RECO seeking registration as a real estate salesperson.
15. On that application, Faridi provided false statements and made omissions in respect of the required disclosures.
16. First, a question in the disclosures section of the application asked:

Are you, or will you be, registered/licensed, engaged or employed in any other business, occupation or profession?
17. Faridi correctly answered, "Yes". In providing the required disclosure for this question, Faridi stated that he was a director in a company called Company B performing electrical

work in power plants. However, Faridi failed to mention his, and his Dealer's, registration with OMVIC and the business of dealing in motor vehicles.

18. Second, a question in the disclosures section of the application asked:

Are you a partner, officer, director or shareholder in any other business?

Faridi correctly answered, "Yes". In providing the required disclosure for this question, Faridi again only disclosed his directorship in Company B. Faridi failed to disclose his role as an officer and director of his motor vehicle Dealer.

19. Third, a question in the disclosures section of the application asked,

Have you ever had a registration and/or license or professional status of any kind refused, suspended, revoked, or cancelled and/or have you been involved in any proceeding during which you resigned a registration or license or professional status of any kind, ***or are there any proceedings pending or are you an officer, director, majority shareholder or corporation or partner of a partnership to which the preceding statement applies?*** [emphasis added]

20. Faridi falsely answered "No" to this question. At the time, the OMVIC proceedings were pending before the LAT wherein the Registrar of OMVIC was seeking to revoke Faridi and the Dealer (of which he was an officer and director).
21. On October 6, 2021, Faridi was granted registration with RECO as a salesperson. RECO was not aware of the OMVIC revocation proceedings against Faridi and the Dealer when the registration was granted.

Faridi's OMVIC Revocation

22. On February 14, 2022, the LAT ordered the Registrar of OMVIC to carry out the revocation of registrations of Faridi and the Dealer.
23. In its decision, the LAT found that Faridi received prohibited assistance on the examination. Prior to that, Faridi had failed to appropriately disclose all required vehicle information to purchasers. His conduct afforded reasonable grounds for belief that he would not carry on business in accordance with the law and with integrity and honesty.

24. Faridi failed to notify RECO, as required by law, that his and his Dealer's OMVIC registrations had been revoked.¹

Faridi's FSRA Registration and Revocation

25. On September 21, 2022, Faridi applied to the Financial Services Regulatory Authority of Ontario ("FSRA") seeking a mortgage agent licence.

26. Faridi falsely answered "No" on the FSRA application to the following question:

Have you ever been refused registration, or a licence under any legislation which required registration or licensing to deal with the public in any capacity (e.g. insurance agent, RIBO broker, securities dealer, motor vehicle dealer etc) in any province, territory, state, or country; or have you held such a licence and been the subject of a disciplinary proceeding that resulted in a penalty being imposed (e.g. suspension, termination, reprimand, surrender etc.) or are you the holder of such a licence and currently the subject of an investigation or upcoming proceeding that may result in a penalty being imposed?

27. Faridi was granted the mortgage agent licence by FSRA.
28. As Faridi was now licensed as a mortgage agent, he was obligated to notify RECO of this change to information on his application. He failed to do so.
29. On March 10, 2023, Faridi submitted a renewal application to FSRA for his mortgage agent licence. Again, he falsely answered "No" to the above question at paragraph 26.
30. On September 5, 2023, Faridi submitted a new broker application to RECO.
31. Although Faridi disclosed that he was licenced as a mortgage agent, this was the first time he disclosed this licence to RECO.
32. Once again, Faridi falsely stated that neither he nor any corporation of which he was an officer or director had ever had a registration revoked, and in doing so, Faridi failed to disclose the OMVIC revocations.

¹ Section 34(1) of O. Reg. 567/05, as it then was, stated as follows: If there is a change to any of the information that was included in the registrant's application under section 3, the registrant shall notify the registrar, in writing, within five days after the change takes place and shall set out the nature of the change.

33. On March 18, 2024, the Chief Executive Officer of FSRA issued a Notice of Proposal to Revoke and Refuse Faridi's licence.
34. Faridi failed to notify RECO, as required by law, that he was facing proceedings from FSRA seeking to revoke his licence.
35. On December 9, 2023, the Financial Services Tribunal ("FST") issued its decision ordering FSRA to carry out the Notice of Proposal to revoke and refuse the licence of Faridi.
36. The FST decided that Faridi's false answers to FSRA's suitability questions on his applications provided reasonable grounds for the belief that Faridi would not deal or trade in mortgages in accordance with the law and with integrity and honesty.
37. Faridi failed to notify RECO, as required by law, that his mortgage agent licence had been revoked.
38. On October 3, 2025, Faridi submitted an application to RECO to renew his registration as a broker.
39. On this occasion, Faridi disclosed that he had a professional licence revoked. Faridi answered "Yes" to this disclosure question, and provided the following statement:

This year 2025 my mortgage licence was revoked.

40. Faridi continued to fail to disclose the OMVIC revocations to RECO.

C. RIGHT TO A HEARING

Take notice that Section 14 of the Act provides that a registrant is entitled to a hearing by the Licence Appeal Tribunal ("**Tribunal**") in respect of a proposal by the Registrar to refuse to renew registration if WITHIN 15 DAYS after service of this Notice of Proposal (deemed to be on the third day after mailing by registered mail), the registrant mails or delivers notice in writing that a hearing is required to the following parties:

TO: The Registrar
Licence Appeal Tribunal
15 Grosvenor St., Ground Floor
Toronto, ON M7A 2G6

AND TO: Registrar
Real Estate Council of Ontario
3300 Bloor Street
West Tower, Suite 1400
Toronto, ON M8X 2X2

Section 14(4) of the Act provides that where the registrant does not require a hearing by the Tribunal, the Registrar may carry out the proposal. Any person who, while not registered, trades in real estate, subject to exceptions enumerated in the Act, is in contravention of the Act and is liable to prosecution.

Section 14(5) of the Act provides that where the registrant requires a hearing by the Tribunal, the Tribunal shall hold the hearing and may by order direct the Registrar to carry out the Registrar's proposal, or may substitute its opinion for that of the Registrar and the Tribunal may attach conditions to its order or to a registration.

If a registrant requires a hearing regarding this proposal and further wishes to be represented by a lawyer or agent at the hearing, it is strongly advised that the registrant make these arrangements as soon as possible. The Registrar reserves the right to oppose any request by the registrant for an adjournment of the hearing in order for the registrant to make such arrangements.

D. NOTICE OF MOTION FOR COSTS

If a hearing is requested as described in Section C and, at any time during the course of proceedings arising from this request, the Registrar believes the registrant has acted unreasonably, frivolously, vexatiously or in bad faith, the Registrar will make a request for an award of costs from the Tribunal, such costs to be paid by the registrant.

E. APPLICATION OF THE STATUTORY POWERS PROCEDURE ACT

The Statutory Powers Procedure Act, R.S.O. 1990, Chapter S.22 as amended ("SPPA") applies to the Tribunal. Section 8 of the SPPA provides as follows:

8. Where the good character, propriety of conduct or competence of a party is an issue in a proceeding, the party is entitled to be furnished prior to the hearing with reasonable information of any allegations with respect thereto.

If a hearing is held as required by the registrant the Registrar states that the good character, propriety of conduct or competence of the registrant shall be an issue in the hearing and the Registrar has provided herein reasonable information of allegations with respect thereto.

F. FURTHER PARTICULARS/SUPPLEMENTAL NOTICE

The registrant may be sent further or other particulars in respect of any matter herein or in respect of any other matter including further grounds for revocation of registration.

Glen Thomas, Registrar (Interim)
Trust in Real Estate Services Act, 2002

Date: March 30, 2026