Case Summary: Jian Feng Chen o/a Steven Chen and 9414240 Canada Inc. o/a Ulticom Realty

Forum	Ontario Court of Justice
Decision	Jian Feng Chen o/a Steven Chen: Convicted of four counts of contravening REBBA, sentenced to a $33,000 fine, $58,237.59 restitution and 2 years of probation.
	9414240 Canada Inc. o/a Ulticom Realty: Convicted of three counts of contravening REBBA and Regulations, sentenced to a $19,000 fine.
Date of Decision	January 15, 2020

The convictions arose from RECO's discovery of a shortfall in the real estate trust account (RETA) of Ulticom Realty. It was determined that Chen misappropriated the funds from the RETA. Chen was, at the relevant time, the broker of record of brokerage. In addition, when RECO conducted an inspection of the brokerage's records, Chen provided the RECO inspector with a falsified bank statement to cover up his improper actions. Ulticom also failed to provide the Registrar with its updated business address.

Chen pled guilty to the following charges and was sentenced to a $33,000 fine, $58,237.59 restitution and 2 years of probation:

- One count of obstructing an inspector conducting an inspection, in contravention of REBBA s. 20(5); and

- Two counts of, as broker of record, failing to ensure that the brokerage complied with REBBA and the regulations, in contravention of REBBA s. 12(2).

Ulticom Realty pled guilty to the following charges and was sentenced to a $19,000 fine:

- One count of failing to deposit into the RETA all money that comes into the brokerage's hands in trust for other persons in connection with the brokerage's business, in contravention of REBBA s. 27(1)(b);

3300 Bloor Street West
Suite 1200, West Tower
Toronto, Ontario, Canada M8X 2X2

T   416-207-4800
TF 1-800-245-6910
F   416-207-4820

info@reco.on.ca
www.reco.on.ca

- One count of failing to disburse money only in accordance with the terms of the trust, in contravention of REBBA s. 27(1)(d); and

- One count of failing to notify the Registrar in writing within five days of a change of any information that was included in the registrant's application for registration, in contravention of Ontario Regulation 567/05 s. 34(1).