



**IN THE MATTER OF
THE MUTUAL FUND DEALER RULES
AND
MOHAMMED (HAMOUDI) DAKIK**

NOTICE OF HEARING

A first appearance will be held before a Hearing Panel of the Canadian Investment Regulatory Organization (“CIRO”)¹ pursuant to Mutual Fund Dealer Rule 7.3 to schedule a hearing in the matter of Mohammed (Hamoudi) Dakik (the “Respondent”). The first appearance and the hearing will be subject to Mutual Fund Dealer Rule 7, and the Mutual Fund Dealer Rules of Procedure (“Rules of Procedure”), as further referenced below, that govern the conduct of enforcement proceedings.

The first appearance will be held by way of videoconference on Thursday, July 17, 2025 at 10:00 a.m. ET

The first appearance will be held at Toronto, Ontario (via videoconference).

The purpose of the hearing will be to determine whether the Respondent has contravened CIRO requirements. A summary of the facts alleged and intended to be relied upon by CIRO, the conclusions drawn by CIRO based on the alleged facts, and alleged contraventions are contained in the Statement of Allegations attached to this Notice of Hearing.

If the Hearing Panel finds that the Respondent has contravened CIRO requirements as alleged in the Statement of Allegations, the Hearing Panel may impose one or more of the following sanctions pursuant to Mutual Fund Dealer Rule 7.4.1.1:

- (a) a reprimand;
- (b) a fine not exceeding the greater of:
 - (i) \$5,000,000 for each offence, and
 - (ii) an amount equal to three times the profit obtained or loss avoided by such person as a result of committing the violation;
- (c) suspension of the authority of the person to conduct securities related business for such specified period and upon such terms as the Hearing Panel may determine;

- (d) revocation of the authority of such person to conduct securities related business;
- (e) prohibition of the authority of the person to conduct securities related business in any capacity for any period of time; and
- (f) such conditions of authority to conduct securities related business as may be considered appropriate by the Hearing Panel.

In addition, pursuant to Mutual Fund Dealer Rule 7.4.2, a Hearing Panel may require the Respondent to pay any costs incurred by or on behalf of CIRO in connection with the proceeding and any investigation related to the proceeding.

The Respondent must serve on Enforcement Staff a Reply to this Notice of Hearing in accordance with Rule of Procedure 8 and Mutual Fund Dealer Rule 7.3.2 within 20 days from the effective date of service of this Notice of Hearing. The Respondent must also file the Reply at the Hearing Office in accordance with Rule of Procedure 4.6.

The Reply may either:

- (a) specifically deny (with a summary of the facts alleged and intended to be relied upon by the Respondent, and the conclusions drawn by the Respondent based on the alleged facts) any or all of the facts alleged or the conclusions drawn by CIRO in the Statement of Allegations; or
- (b) admit the facts alleged and conclusions drawn by CIRO in the Statement of Allegations and plead circumstances in mitigation of any penalty to be assessed.

Pursuant to Mutual Fund Dealer Rule 7.3.3 and Rule of Procedure 8.3, the Hearing Panel may accept as having been proven any facts alleged or conclusions drawn by CIRO in the Statement of Allegations that the Respondent does not specifically deny in the Reply.

Pursuant to Mutual Fund Dealer Rule 7.3.4 and Rules of Procedure 7.3 and 8.4, if the Respondent fails to:

- (a) serve and file a Reply; or
- (b) attend at the hearing specified in the Notice of Hearing, notwithstanding that a Reply may have been served,

the Hearing Panel may, among other things, proceed with the hearing on the date and at the time and place set out in the Notice of Hearing (or on any subsequent date, at any time and place), without further notice to and in the absence of the Respondent, and the

Hearing Panel may accept as proven the facts, conclusions, and contraventions alleged in the Statement of Allegations, and may impose sanctions and costs.

The Respondent is entitled to attend the hearing and to be heard, to be represented by counsel or by an agent, to call, examine and cross-examine witnesses, to present evidence, and to make submissions to the Hearing Panel at the hearing.

DATED May 15, 2025.

“National Hearing Officer”
NATIONAL HEARING OFFICER
Canadian Investment Regulatory Organization
40 Temperance Street, Suite 2600
Toronto, Ontario, M5H 0B4

¹ Where the rules, by-laws, and policies of the Mutual Fund Dealers Association of Canada (the “MFDA”) that were in force immediately prior to amalgamation of the Investment Industry Regulatory Organization of Canada and the MFDA have been incorporated into the Mutual Fund Dealer Rules, Enforcement Staff have referenced the relevant section of the Mutual Fund Dealer Rules.



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MOHAMMED (HAMOUDI) DAKIK
STATEMENT OF ALLEGATIONS**

Further to a Notice of Hearing dated May 15, 2025. Enforcement Staff make the following allegations:

PART I – REQUIREMENTS CONTRAVENED

Contravention 1

Between March 2019 and September 2019, the Respondent engaged in securities related business that was not carried on for the account or through the facilities of the Dealer Member by recommending, selling, or facilitating the sale of securities of a company to clients and other individuals, contrary to MFDA Rule 1.1.1.

Contravention 2

Between March 2019 and September 2019, the Respondent engaged in unapproved outside activities that were not disclosed to or approved by the Dealer Member in relation to the solicitation and sale of investments outside the Dealer Member to clients and other individuals, contrary to MFDA Rule 1.3.2.

PART II – RELEVANT FACTS AND CONCLUSIONS

Overview

1. As discussed in more detail below, the Respondent recommended, sold, or facilitated the sale of approximately \$76,000 of securities in a cannabis company

to at least five clients and two other individuals (the “Investors”). The Respondent also solicited one client to invest \$300,000 in the same company; the client declined to invest. Subsequently, the company was dissolved and the Investors lost their investments totaling \$76,000.

Registration History

2. Between October 12, 2016 and October 30, 2020, the Respondent was registered in Ontario as a dealing representative with Investors Group Financial Services Inc. (the “Dealer Member”), formerly a Member of the MFDA.
3. On October 30, 2020, the Dealer Member terminated the Respondent, and he is not currently registered in the securities industry in any capacity.
4. At all material times, the Respondent carried on business in the Nepean, Ontario area.

Securities Related Business Outside the Dealer Member

5. At all material times, the Member’s policies and procedures:
 - a) prohibited its Approved Persons from selling, promoting, or effecting trades in products that were not offered by the Dealer Member;
 - b) prohibited off-book trading and required that all securities related business be conducted through the Dealer Member; and
 - c) required its Approved Persons to obtain its approval before engaging in any outside activity.
6. In or around 2018, the Respondent:
 - a) through a family member, met with the principals of a cannabis company, C Inc.,

- b) was introduced to the opportunity to invest in securities that were offered by C Inc., and
 - c) purchased shares in C Inc.
7. Subsequently, the principals of C Inc.:
- a) incorporated company 110 Inc., known as CBD Export Global (“CBD”), another cannabis company,
 - b) introduced the Respondent to the opportunity to invest in securities that were offered by CBD (the “CBD Securities”), and
 - c) provided the Respondent with promotional materials about CBD and CBD Securities.
8. In or around 2018 or 2019, the Respondent also invested in CBD Securities.
9. During the material time, client PV was an Approved Person and client of the Dealer Member. Clients WE, ID, FY, NI, and KC were clients of the Dealer Member whose accounts were serviced by the Respondent. Client WE was 68 years old and retired.
10. Between March 2019 and September 2019, the Respondent recommended, sold, or facilitated the sale of approximately \$76,000 of CBD Securities to clients WE, ID, FY, NI, and KC, and individuals RD and NB (collectively, the “Investors”). The Investors purchased the CBD Securities as set out in the table below:

	Investor	Individual/Client	Amount Invested
1.	WE	Client	\$50,000
2.	ID	Client	\$5,000
3.	FY	Client	\$4,000
4.	RD	Individual	\$1,000
5.	NB	Individual	\$6,000
6.	NI	Client	\$5,000
7.	KC	Client	\$5,000
			Total: \$76,000

11. Between March 2019 and September 2019, the Respondent engaged in one or more of the following activities in relation to the Investors:

- a) introduced the opportunity to invest in the CBD Securities;
- b) discussed the terms and features of investing in the CBD Securities;
- c) made presentations or provided promotional materials about CBD and CBD Securities;
- d) recommended investing in CBD Securities;
- e) received investment contracts from CBD for completion with the Investors;
- f) provided the Investors with investment contracts to purchase the CBD Securities;
- g) assisted the Investors to complete the paperwork to facilitate the purchase of CBD Securities by the Investors;
- h) collected cheques from the Investors payable to CBD in respect of investments in CBD;
- i) provided the completed investment contracts and Investors' cheques for investments in CBD to CBD; and
- j) provided the Investors with information and updates pertaining to their investments.

12. Regarding client PV, the Respondent engaged in the following activities:

- a) in or around March 2019, the Respondent:
 - i. arranged and attended a meeting with client PV and a principal of CBD to introduce the opportunity to invest in CBD;

- ii. made presentations or provided promotional materials about CBD;
 - iii. recommended investing in CBD, and asked client PV to loan at least \$100,000 to CBD;
- b) on September 27, 2019, the Respondent emailed client PV asking client PV to attend another meeting with the principals of CBD and stating:

If you recall we met about 6 months ago regarding [CBD] ...they have purchased the lab and everything is going well. They are still raising some funds and looking for 300k to close the financing round they are in right now. This money can be done as a loan or equity in the company.

13. Client PV ultimately declined to invest in CBD.
14. The Respondent solicited investments in CBD in order to also have investors in CBD invest their other monies in mutual funds at the Dealer Member.
15. After the Dealer Member terminated the Respondent, the Respondent continued to provide the Investors with information and updates pertaining to their investments in CBD.
16. On or about August 27, 2023, CBD was dissolved. None of the Investors received any return or the repayment of the principal amounts that they invested in the CBD Securities.
17. The Respondent did not inform the Dealer Member at any time that the Respondent intended to offer the CBD Securities for investment to its clients or other individuals, and the Dealer Member did not approve the sale of CBD Securities by any of its Approved Persons, including the Respondent.
18. None of the purchases of the CBD Securities described above were carried on for the account of the Dealer Member or processed through its facilities.

19. On or around March 18, 2024, client WE complained to the Dealer Member regarding his investment in CBD on the Respondent's recommendation, and sought compensation from the Dealer Member for resulting investment losses. The Dealer Member compensated client WE.
20. By virtue of the foregoing, the Respondent engaged in securities related business that was not carried on for the account of the Dealer Member or processed through its facilities by recommending, selling, or facilitating the sale of CBD Securities to clients and other individuals, contrary to MFDA Rule 1.1.1.
21. In the alternative, if the Respondent's conduct described above does not amount to engaging in securities related business outside the Dealer Member, the Respondent engaged in unapproved outside activities that were not disclosed to or approved by the Dealer Member in relation to the solicitation and sale of investments outside the Dealer Member to clients and other individuals, contrary to MFDA Rule 1.3.2.

DATED at Toronto, Ontario this May 15, 2025.