



CIRO · OCRI

Canadian Investment
Regulatory
Organization

Organisme canadien
de réglementation
des investissements

**IN THE MATTER OF
THE MUTUAL FUND DEALER RULES**

AND

MOHAMMED (HAMOUDI) DAKIK

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Canadian Investment Regulatory Organization (“CIRO”)¹ will issue a Notice of Settlement Hearing to announce a settlement hearing pursuant to Mutual Fund Dealer Rule 7.4.4 and Rules 14 and 15 of the Mutual Fund Dealer Rules of Procedure (“Rules of Procedure”) to consider whether a Hearing Panel should accept this Settlement Agreement between Enforcement Staff and Mohammed (Hamoudi) Dakik (the “Respondent”).

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Enforcement Staff and the Respondent jointly recommend that the Hearing Panel accept this Settlement Agreement in accordance with the terms and conditions set out below.

PART III – AGREED FACTS

3. For the purposes of this Settlement Agreement, the Respondent agrees with the facts as set out in Part III of this Settlement Agreement.

Overview

4. 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

5. 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.
6. On October 30, 2020, the Dealer Member terminated the Respondent, and he is not currently registered in the securities industry in any capacity.
7. At all material times, the Respondent carried on business in the Nepean, Ontario area.

Securities Related Business Outside the Dealer Member

8. 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; and
 - b) prohibited off-book trading and required that all securities related business be conducted through the Dealer Member.
9. 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 approximately \$20,000 of shares in C Inc.
10. 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.

11. In or around 2018 or 2019, the Respondent also invested in CBD Securities. The Respondent states that he purchased approximately \$5,000 of shares in CBD.

12. 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.

13. 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

14. 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.

15. 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.

16. Client PV ultimately declined to invest in CBD.

17. 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.

18. On or around March 26, 2020, the Respondent completed an attestation, affirming that he was aware that recommending products and completing trades for products in which he did not hold a valid registration were prohibited.
19. After the Dealer Member terminated the Respondent, the Respondent continued to provide the Investors with information and updates pertaining to their investments in CBD.
20. 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.
21. 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.
22. 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.
23. 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 paid client WE \$50,000 to compensate him for his losses.

Additional Factors

24. There is no evidence that the Respondent received a direct financial benefit from the above-described misconduct.
25. The Respondent has not previously been the subject of CISO or MFDA disciplinary proceedings.
26. By entering into this Settlement Agreement, the Respondent has saved CISO the time, resources, and expenses associated with conducting a contested hearing on the allegations.

PART IV – CONTRAVENTIONS

27. By engaging in the conduct described above, the Respondent committed the following contraventions of CRO requirements:

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.

PART V – TERMS OF SETTLEMENT

28. The Respondent agrees to the following sanctions and costs:

- (i) The Respondent shall be permanently prohibited from conducting securities related business in any capacity while in the employ of or associated with any CRO Dealer Member, pursuant to Mutual Fund Dealer Rule 7.4.1.1(e);
- (ii) A fine of \$20,000, pursuant to Mutual Fund Dealer Rule 7.4.1.1(b), which shall be payable in certified funds on the date that this Settlement Agreement is accepted by a Hearing Panel;
- (iii) Costs of \$5,000, pursuant to Mutual Fund Dealer Rule 7.4.2, which shall be payable in certified funds on the date that this Settlement Agreement is accepted by a Hearing Panel; and
- (iv) The Respondent shall attend on the date set for the Settlement Hearing.

29. If this Settlement Agreement is accepted by the Hearing Panel, the Respondent agrees to pay the amounts referred to above immediately upon such acceptance, unless otherwise agreed between Enforcement Staff and the Respondent.

PART VI – STAFF COMMITMENT

30. If the Hearing Panel accepts this Settlement Agreement, Enforcement Staff will not initiate any further action against the Respondent in relation to the facts set out in Part III and the contraventions in Part IV of this Settlement Agreement, subject to the provisions of the paragraph below.

31. If the Hearing Panel accepts this Settlement Agreement and the Respondent fails to comply with any of the terms of this Settlement Agreement, Enforcement Staff may bring proceedings under Mutual Fund Dealer Rule 7 against the Respondent. These proceedings may be based on, but not limited to, the facts set out in Part III of this Settlement Agreement.

PART VII – PROCEDURE FOR ACCEPTANCE OF SETTLEMENT

32. This Settlement Agreement is conditional on acceptance by the Hearing Panel.
33. This Settlement Agreement shall be presented to a Hearing Panel at a settlement hearing in accordance with Mutual Fund Dealer Rule 7.4.4, and Rules of Procedure 14 and 15, in addition to any other procedures that may be agreed upon between the parties.
34. Enforcement Staff and the Respondent agree that this Settlement Agreement will form all the agreed facts that will be submitted at the settlement hearing, unless the parties agree that additional facts should be submitted at the settlement hearing. If the Respondent does not appear at the settlement hearing, Staff may disclose additional relevant facts, if requested by the Hearing Panel.
35. If the Hearing Panel accepts this Settlement Agreement, the Respondent agrees to waive all rights under the Rules and By-law No. 1 of CIRO, and any applicable legislation to any further hearing, appeal, and review.
36. If the Hearing Panel rejects this Settlement Agreement, Enforcement Staff and the Respondent may enter into another settlement agreement or Enforcement Staff may proceed to a disciplinary hearing based on the same or related allegations.
37. The terms of this Settlement Agreement are confidential unless and until this Settlement Agreement has been accepted by the Hearing Panel.
38. This Settlement Agreement will become available to the public upon its acceptance by the Hearing Panel and CIRO will post a copy of this Settlement Agreement on the CIRO website. CIRO will publish a notice and news release of the facts, contraventions, and the sanctions agreed upon in this Settlement Agreement and the Hearing Panel's written reasons for its decision to accept this Settlement Agreement.

39. If this Settlement Agreement is accepted, the Respondent agrees that neither they nor anyone on their behalf, will make a public statement inconsistent with this Settlement Agreement.
40. This Settlement Agreement is effective and binding upon the Respondent and Enforcement Staff as of the date of its acceptance by the Hearing Panel.

PART VIII – EXECUTION OF SETTLEMENT AGREEMENT

41. This Settlement Agreement may be signed in one or more counterparts which together will constitute a binding agreement.
42. An electronic copy of any signature will be treated as an original signature.

DATED this 2nd day of July, 2025.

“Witness” _____

Witness

“Mohammed Dakik” _____

Respondent

“Sam Wu” _____

Sam Wu
Enforcement Counsel on behalf of
Enforcement Staff of the
Canadian Investment Regulatory
Organization

The Settlement Agreement is hereby accepted this 14th day of August, 2025 by the following Hearing Panel:

Per: “Barry Bresner”
Chair

Per: Nick Pallotta
Industry Member

Per: “Shaine Pollock”
Industry Member

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.