Re Thakkar

IN THE MATTER OF:

The Mutual Fund Dealer Rules

and

Ankit Pravinkumar Thakkar

2025 CIRO 59

Canadian Investment Regulatory Organization
Hearing Panel (Alberta District)

Heard: December 5, 2025, in Calgary, Alberta (via videoconference)
Decision: December 5, 2025
Reasons for Decision: December 15, 2025

Hearing Panel:
Don Young KC – Chair, Adam Dudley, David Johnson

Appearances:
Lerina Koornhof, Enforcement Counsel
Ankit Pravinkumar Thakkar, Respondent

REASONS FOR DECISION ON ACCEPTANCE OF SETTLEMENT

INTRODUCTION

[1] The Canadian Investment Regulatory Organization (**CIRO**) held a hearing by videoconference to determine whether, pursuant to Mutual Fund Dealer Rule 7.4.4, the Hearing Panel (**Panel**) should accept the settlement agreement (Settlement Agreement) entered into between Enforcement staff of CIRO (**Staff**) and Ankit Pravinkumar Thakkar (the "**Respondent**) on October 26, 2025.

[2] In the Settlement Agreement, the Respondent admitted to the following misconduct:

a) failing to identify, report to the Dealer Member, or otherwise address in the best interests of the client, conflicts of interest when he borrowed money from clients in December 2021 and October 2023, contrary to Mutual Fund Dealer Rules 2.1.4(2) and 2.1.5.

[3] The Respondent agreed in the Settlement Agreement, as a result of his misconduct, to pay to CIRO:

a) a fine of $15,000, pursuant to Mutual Fund Dealer Rule 7.4.1(b), and

b) costs of $2,500, pursuant to Mutual Fund Dealer Rule 7.4.2.

[4] At the conclusion of the hearing, the Panel accepted the Settlement Agreement, with reasons to follow. These are the Panel's reasons.

FACTS

[5] The facts are more fully detailed in the Settlement Agreement, which is attached to these reasons. Certain additional facts were agreed upon and presented to the Panel by Staff and the Respondent at the hearing. For the purposes of these reasons, the relevant facts can be summarized as follows:

a) the Respondent was registered in the Edmonton Alberta, area as a dealing representative with a Dealer Member from March 24 to November 3, 2014, July 9, 2015, to September 6, 2016,

February 9, 2018 to April 22, 2022, and August 8, 2023 to January 24, 2024. He was also employed by a retail banking affiliate (**Bank**) of the Dealer Member from approximately 2013 to January 2024.

b) on January 24, 2024, for reasons unrelated to this matter, the Respondent resigned from the Dealer Member and is not currently registered in the securities industry.

c) at all material times, ND and MP, a married couple, were clients (**Clients**) of the Dealer Member and the Bank.

d) the Respondent serviced the Clients' mutual fund accounts from February 22, 2021 to March 9, 2022, at which time the Clients transferred their mutual fund accounts to an affiliate of the Dealer Member. The Respondent continued to service the Clients' Bank accounts.

e) the Dealer Member's policies and procedures manual and Code of Conduct required Approved Persons (such as the Respondent) to identify, assess, and respond to conflicts of interest. Approved Persons were also prohibited from engaging in personal financial dealings with and borrowing from clients.

f) the Respondent borrowed funds from the Clients on two occasions, December 6, 2021 ($3,850), and October 16, 2023 ($10,000) (the **Loans**), without the Dealer Member's knowledge or approval. Neither of the Loans were reduced to writing nor had any set terms for repayment, duration, or interest. The first of the Loans was repaid to the Clients in two days, the second in 42 days.

g) the Respondent has not previously been the subject of MFDA or CIRO disciplinary proceedings and expressed remorse and regret for his mistake. The Clients did not complain about or report concerns with the Loans to the Dealer Member or CIRO, and did not report any financial loss.

[6] At the hearing, the following additional admitted facts were presented in oral submissions by the parties for consideration by the Panel:

a) In September 2023, for unrelated reasons, the Dealer Member discovered the first of the two Loans made by the Clients to the Respondent. The Respondent confirmed that information in questioning by the Dealer Member, and then in approximately November 2023, voluntarily divulged the second Loan by the Clients.

ANALYSIS

[7] A hearing panel tasked with reviewing a settlement agreement has a definitive mandate under Mutual Fund Dealer Rule 7.4.4.3; it can either accept or reject the agreement reached by the parties; it cannot modify it or make changes.[1] In performing that task, the panel must assess whether the sanctions agreed upon fall within a "reasonable range of appropriateness". A settlement must not be rejected unless the panel views the consequences crafted by the parties as clearly falling outside of that reasonable range.

[8] It is unquestioned that reasonable settlements serve several public interests and related goals. Firstly, settlements are more efficient and concluded in a timelier fashion than a contested hearing, freeing up administrative resources for other matters. Secondly, Staff and respondents are intimately familiar with all the facts of the case and are thereby better positioned than a hearing panel to agree and compromise, as the facts dictate. Hearing panels receive the evidence essential to assessing fault and consequence, but it is only a fraction of the story. Lastly, a settlement avoids the uncertainty of outcome to both parties that flows from the presentation and consideration of evidence in a contested hearing.

[9] When evaluating the appropriateness of the sanctions proposed by the parties in a settlement, hearing panels have regard to an established, although non-exhaustive, list of factors. Among those established factors, and relevant to the disposition of this matter, are the following: the seriousness of the contraventions, a respondent's past conduct (if any), the harm suffered by investors as a result of the activities, the benefits

[1] Canacord Genuity Corp. (Re), 2025 CIRO 37, para's 6 and 8

received by the respondent, and the need to deter both the respondent and others from engaging in similar activities.[2]

[10] Notably, and in addition to those factors, a hearing panel may also have regard to the CIRO Sanction Guidelines. While the Guidelines are merely guides, they provide a framework and principles for evaluating and assessing the appropriate disposition to be applied in disciplinary and settlement proceedings such as this. Among other principles, the Guidelines consider past conduct and sanctions in similar circumstances, and aggravating and mitigating factors in the matter at hand.

[11] Based on the above factors and the Guidelines, the Hearing Panel noted the following aggravating and mitigating facts in the Settlement:

Aggravating

- MFDA Rules expressly prohibit borrowing from clients (2.1.5). A conflict of interest which itself requires assessment and disclosure, exists whether the loan is paid back or not.
- The Respondent received a benefit by obtaining funds with terms much more favourable than through appropriate banking or lending channels

Mitigating

- The Respondent has no prior disciplinary history and was remorseful for his conduct. He underwent additional training with the Dealer Member in respect of personal financial dealings and conflicts of interest.
- Once the first of the Loans was discovered, the Respondent voluntarily divulged the second.
- The Loans were repaid (the first in just two days), and the Clients did not complain about the Respondent's conduct, nor did they report any financial loss.

[12] The Settlement Agreement proposes a fine of $15,000 and costs of $2,500 for the activities of the Respondent. Staff included in its written submissions a table summarizing sanctions in similar circumstances in other cases. In that summary, the fines ranged from $7,500 to$25,000, and the costs from $2,500 to$5,000. While no two cases are the same, there is ample support in the cases provided to the Hearing Panel to justify the numbers agreed upon in the Settlement Agreement. Echoing the language from the established test, the sanctions proposed by Staff and the Respondent clearly fall within a "reasonable range of appropriateness".

[13] The aggravating and mitigating circumstances do not demand a departure from the sanctions agreed upon in the Settlement Agreement. Borrowing from non-related clients is a prohibited activity, and for good reason (conflicts of interest being one). The amounts borrowed, however, were small, the Clients were promptly repaid, and there is nothing before the Hearing Panel suggesting the Clients suffered any financial harm.

[14] As the Guidelines provide (Part I – Sanction Principles, in heading 1), sanctions are "preventative in nature and should protect the public, strengthen market integrity, and improve business standards". They must be significant enough to both prevent and discourage future similar conduct by the respondent (specific deterrence), and to deter such conduct by other individuals in comparable circumstances (general deterrence).

[15] The Hearing Panel views the sanctions agreed upon by the parties in this matter as effecting these dual goals of specific and general deterrence. There is censure and consequence for the Respondent, with a sufficient warning to others, but neither is disproportionate to the facts and circumstances of the case.

CONCLUSION

[16] The facts admitted to by the Respondent constitute misconduct in contravention of MFDA Rule 2.1.4(2) and Mutual Fund Dealer Rule 2.1.5, and the sanctions agreed upon in the Settlement Agreement fall within a reasonable range of appropriateness. After considering all the facts of the case, including the additional facts offered at the hearing, the written and oral representations of the parties, the authorities provided, and the Guidelines, the Hearing Panel accepts the Settlement Agreement entered into by Staff of CIRO and the

[2] Sterling Mutuals Inc. (RE), CanLII 48530 (CA MFDAAC), para 14, SBA

Respondent.

DATED at Calgary, Alberta, this 15 day of December 2025.

"Don Young KC"

Don Young KC, Chair

"Adam Dudley"

Adam Dudley, Industry Member

"David Johnson"

David Johnson, Industry Member

IN THE MATTER OF THE MUTUAL FUND DEALER RULES

AND

ANKIT PRAVINKUMAR THAKKAR

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Canadian Investment Regulatory Organization ("CIRO") will announce that 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") will take place to consider whether a Hearing Panel should accept this Settlement Agreement between Enforcement Staff and Ankit Pravinkumar Thakkar (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.

Registration History

4. The Respondent was registered in Alberta as a dealing representative with CIBC Securities Inc. (the "Dealer Member"), a Dealer Member of CIRO (formerly a Member of the MFDA) during the following periods:
   a) March 24, 2014, to November 3, 2014;
   b) July 9, 2015, to September 6, 2016;
   c) February 9, 2018, to April 22, 2022; and
   d) August 8, 2023, to January 24, 2024.

5. The Respondent was also employed by a retail banking affiliate of the Dealer Member (the "Bank") from 2013 to January 2024.

6. On January 24, 2024, the Respondent resigned from the Dealer Member and the Bank for reasons unrelated to the conduct described herein. The Respondent is not currently registered in the securities industry.

7. At all material times, the Respondent conducted business in the Edmonton, Alberta, area.

The Loans

8. At all material times, the Dealer Member's policies and procedures manual ("PPM") and Code of Conduct required Approved Persons to identify, assess, and respond to conflicts of interest. The PPM also prohibited Approved Persons from engaging in personal financial dealings and borrowing from Clients.

9. At all material times, ND and MP (the "Clients"), a married couple, were clients of the Dealer Member and the Bank.

10. The Respondent serviced the Clients' mutual funds accounts from February 22, 2021, until March 9, 2022, when the Clients transferred their mutual fund investments to an affiliate of the Dealer Member. The Respondent continued to service the Client's Bank accounts.

11. Without the Dealer Member's knowledge or approval, the Respondent borrowed the following amounts from the Clients (the "Loans") which he subsequently repaid:

    a) $3,850 on December 6, 2021, repaid by December 8, 2021; and

    b) $10,000 on October 16, 2023, repaid by November 27, 2023.

12. The Loans were not in writing and had no set terms for repayment, duration, or interest.

13. At no time did the Respondent disclose to the Dealer Member that he obtained the Loans.

14. Borrowing monies from clients as described above gave rise to material conflicts of interest that the Respondent failed to identify, report to the Dealer Member, or otherwise address in the best interest of the client.

Additional Factors

15. The Respondent has not previously been the subject of MFDA or CIRO disciplinary proceedings.

16. The Clients did not complain or report concerns with the Loans to the Dealer Member or to CIRO and did not report any financial loss due to the Respondent's conduct described herein.

17. The Respondent expressed remorse and regret for engaging in the conduct.

18. As a result of the Dealer Member's investigation, the Respondent received additional training on the Dealer Member's Code of Conduct and PPM in relation to personal financial dealings and conflicts of interest.

19. By entering into this Settlement Agreement, the Respondent has saved CIRO the time, resources, and expenses associated with conducting a contested hearing with respect to the allegations of misconduct.

PART IV – CONTRAVENTIONS

20. By engaging in the conduct described above, the Respondent committed the following contravention of CIRO requirements:

> In December 2021 and October 2023, the Respondent failed to identify, report to the Dealer Member, or otherwise address in the best interests of the client, conflicts of interest when he borrowed money from clients, contrary to MFDA Rule 2.1.4(2), and Mutual Fund Dealer Rule 2.1.5.[1]

21. The Respondent shall in the future comply with Mutual Fund Dealer Rules 2.1.4(2) and 2.1.5.

PART V – TERMS OF SETTLEMENT

22. Staff and the Respondent agree and consent to the following terms of settlement:

    a) A fine of $15,000 pursuant to Mutual Fund Dealer Rule 7.4.1.(b); and

    b) Costs of $2,500 pursuant to Mutual Fund Dealer Rule 7.4.2.

[1] MFDA Rule 2.1.4(2) was in effect from June 30, 2021, and applies to the conduct which occurred until December 31, 2022, and was incorporated into Mutual Fund Dealer Rule 2.1.4(2) on January 1, 2023. MFDA Rule 2.1.5 came into effect on December 31, 2021, and was incorporated into Mutual Fund Dealer Rule 2.1.5 on January 1, 2023.

23. If this Settlement Agreement is accepted by a hearing panel, the Respondent agrees to pay the amounts referred to above immediately upon such acceptance, unless otherwise agreed to between Staff and the Respondent.

24. Staff and the Respondent agree to the settlement on the basis of the facts set out in this Settlement Agreement.

PART VI – STAFF COMMITMENT

25. 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.

26. 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 are not limited to, the facts set out in Part III of this Settlement Agreement.

PART VII – PROCEDURE FOR ACCEPTANCE OF SETTLEMENT

27. This Settlement Agreement is conditional on acceptance by the Hearing Panel.

28. 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.

29. 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.

30. 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.

31. 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.

32. The terms of this Settlement Agreement are confidential unless and until this Settlement Agreement has been accepted by the Hearing Panel.

33. 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.

34. 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.

35. 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

36. This Settlement Agreement may be signed in one or more counterparts which together will constitute a binding agreement.

37. An electronic copy of any signature will be treated as an original signature.

DATED this 26th day of October, 2025.

"Witness"
Witness

"Ankit Pravinkumar Thakkar"
Ankit Pravinkumar Thakkar

"Lerina J.M Koornhof"
Lerina J.M. Koornhof, Enforcement Counsel, on behalf of Enforcement Staff of the Canadian Investment Regulatory Organization

The Settlement Agreement between Ankit Pravinkumar Thakkar and Enforcement Staff of the Canadian Investment Regulatory Organization dated October 26th, 2025, is hereby accepted this 5th day of December 2025, by the following Hearing panel:

Per: "Dan Young"
Chair

Per: "David Johnson"
Industry Member

Per: "Adam Dudley"
Industry Member