

THE REAL ESTATE COUNCIL OF ALBERTA

Case: 008299
Process: Section 39 & 83 of the *Real Estate Act*
Industry Member: Mr. Ravinder Singh Basi
Authorization: Real Estate Associate
Registration: Registered Brokerage: Currently unlicensed
Previously registered to R & D Realty Inc O/A Maxwell
Canyon Creek
Document: ADMINISTRATIVE PENALTY
Penalty: \$1500.00 (see Schedule 2 of the Bylaws)

Payment

This Penalty must be paid **within 30 days** of the date this Notice was issued.

If you fail to pay the Penalty the Executive Director may commence collection under Part 6 of the *Real Estate Act*

If you pay the Penalty

- You will have satisfied the Administrative Penalty and no further proceedings under Part 6 will be taken against you.
- You cannot be charged under the *Real Estate Act* with an offence for the contravention(s) in this Administrative Penalty.

TO: Mr. Ravinder Singh Basi

The Executive Director of the Real Estate Council of Alberta (RECA) has determined there is sufficient evidence you have contravened **section 54(2) of the *Real Estate Act Rules*** and this is conduct deserving of sanction.

54(2) A real estate broker, associate broker or associate, as the case may be, must not directly or indirectly, provide an inducement unless the inducement is provided by and on behalf of the brokerage with which the real estate broker, associate broker or associate is registered, details of the inducement are provided in writing and the broker has provided written approval.

Particulars of the contravention(s):

1. In or around March 7, 2018 you provided an inducement which was not provided on behalf of your brokerage and your broker did not provide written approval, contrary to section 54(2) of the *Real Estate Act* Rules.
2. On February 20, 2018 CW & DW ("sellers") entered into an Exclusive Sellers Representation Agreement with Maxwell Canyon Creek for the property located at [("address")]. You were the brokerage representative listed on that agreement.
3. On or about March 7, 2018 you received an offer to purchase from BR, the buyer. The offer price was lower than what the sellers were hoping for.
 - a) In an effort to facilitate the transaction you offered to lower your commission by \$3000 or to pay the legal fees for the transaction.
 - b) The sellers chose the legal fees.
 - c) You failed to get the approval of your broker and you failed to put the terms of the agreement/inducement in writing. This is a breach of the legislation.
4. On or about April 30, 2018 you paid the sellers' legal fees.
 - a) After the transaction closed you were contacted by the sellers who were requesting the outstanding payment they claimed you owed them.
 - b) Failing to put the terms of the inducement in writing led to confusion of those terms on behalf of the sellers.

To offer an inducement you must receive written approval of the inducement from your broker and give the details of the inducement to the party to the transaction in writing.

The broker's approval may be on a case-by-case basis or by a written brokerage policy. The policy should specify what types and the value of inducements the associate broker or associate can offer on behalf of the brokerage.

The Executive Director considered the following aggravating and mitigating factors:

Aggravating Factors

Your clients have no recourse to get reimbursed through the brokerage since the inducement was not offered on behalf of the brokerage.

Appeal

You have the right to appeal this Administrative Penalty to a Hearing Panel. See **section 83.1 of the *Real Estate Act*** for what you must do to appeal.

In an appeal you will be given a full opportunity consistent with procedural fairness and natural justice to present evidence before the Hearing Panel in relation to the contraventions alleged.

Your written notice of appeal must comply with section 83.1 and must be received by the Executive Director **within 30 days** of you receiving this Administrative Penalty.

If you appeal, payment of the Penalty will not be required until an order to pay a penalty is issued by the Hearing Panel.

If you have any questions regarding particulars or the appeal process, please contact:

Name: SCC, Professional Conduct Review Officer
Phone: 403.228.2954; Toll Free: 1.888.425.2754
Fax: 403.228.3065
Address: Real Estate Council of Alberta
Suite 202, 1506 11 Avenue SW
Calgary, Alberta, T3C 0M9

Issued at Calgary, Alberta, on October 16, 2018.

Charles Stevenson, for
Bob Myroniuk, Executive Director
of the Real Estate Council of Alberta

cc: Roger Arsenault, Conduct Broker,
R & D Realty Inc O/A Maxwell Canyon Creek