



*This matter is currently under appeal.*

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO

CHARTERED PROFESSIONAL ACCOUNTANTS OF  
ONTARIO ACT, 2017

**TO:** SEEMA MAKHIJA, CPA, CGA

**AND TO:** The Discipline Committee of CPA Ontario

The Professional Conduct Committee of CPA Ontario hereby makes the following allegations of professional misconduct against SEEMA MAKHIJA, CPA, CGA, a member of CPA Ontario:

1. THAT the said Seema Makhija, in or about the period of January 2017 through July 2018, while principal broker of "AM" and as a mortgage broker, failed to act in a manner which would maintain the good reputation of the profession and serve the public interest, contrary to Rule 201.1 of the CPA Code of Professional Conduct (Code), in that she was involved in the solicitation of ~~solicited~~ "PW" to invest over \$310,000 in a syndicated mortgage she administered and failed to properly supervise the use of those funds, enabling them to be diverted for purposes other than which they were intended including converted the mortgage funds to her own use, diverting them to her benefit and to the benefit of related parties other than PW. ***Amended on consent with leave of the panel, June 15, 2020***
2. That the said Seema Makhija, in or about the period of January 2017 through July 2018, while principal broker of "AM" and as a mortgage broker, allowed her business judgment to be compromised by conflict of interest or undue influence of others contrary to Rule 202.2 of the Code, in that she failed to properly administer a syndicated mortgage and supervise the use of those funds, enabling them to be diverted for purposes other than which they were intended including to the benefit of related parties other than PW. ***Amended on consent with leave of the panel, June 15, 2020***
3. THAT the said Seema Makhija, in or about the period of January 2017 to July 2018, while principal broker of AM and as a mortgage broker, associated herself with statements which she knew or should have known were false or misleading, contrary to Rule 205 of the Code, in that she drafted, executed and filed Financial Services Commission of Ontario transaction documents related to PW's investment which were inaccurate and potentially misleading. ~~misstated required disclosures.~~ ***Amended on consent with leave of the panel, June 15, 2020***

3. ~~THAT the said Seema Makhija, in or about the period of January 2017 to July 2018, while principal broker of AM and as a mortgage broker, charged an undisclosed, arbitrary commission fee, thereby acquiring a direct, unauthorized benefit contrary to Rule 207 of the Code.~~ ***Withdrawn by the Professional Conduct Committee, June 15, 2020***
4. ~~THAT the said Seema Makhija, in or about the period of January 2017 to July 2018, while principal broker of AM and as mortgage broker, undertook to provide professional service to PW despite a conflict between her interests and the interests of PW contrary to Rule 210.2(a) of the Code.~~ ***Withdrawn by the Professional Conduct Committee, June 15, 2020***

Dated at Toronto, Ontario, this 4th day of December 2019.

*Glenn Fagan*

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H. G. FAGAN, FCPA, FCA, DEPUTYCHAIR  
PROFESSIONAL CONDUCT COMMITTEE

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO  
*CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO ACT, 2017*

**DISCIPLINE COMMITTEE**

**IN THE MATTER OF:** Allegations, as amended at the request of the parties and with the leave of the Panel, against **SEEMA MAKHIJA, CPA, CGA**, a Member of CPA Ontario, under **Rule 201.1, Rule 202.2 and Rule 205** of the Rules of Professional Conduct.

**TO:** Seema Makhija, CPA, CGA

**AND TO:** The Professional Conduct Committee

**DECISION AND ORDER MADE JUNE 15, 2020**

**DECISION**

The Allegations, as amended, that Seema Makhija has breached Rule 201.1, Rule 202.2 and Rule 205 of the CPA Code of Professional Conduct are established, and she has committed professional misconduct.

**ORDER**

IT IS ORDERED THAT:

1. Seema Makhija be reprimanded in writing by the Chair of the hearing;
2. Seema Makhija shall pay a fine of \$25,000 to the Chartered Professional Accountants of Ontario ("CPA Ontario") by December 15, 2021;
3. Seema Makhija's membership with CPA Ontario is revoked as of the date of this Order;
4. Notice of this Decision and Order, disclosing Seema Makhija's name, is to be given in the form and manner determined by the Discipline Committee:
  - (a) to all members of CPA Ontario;
  - (b) to all provincial bodies;and shall be made available to the public;
5. Notice of the revocation, disclosing Seema Makhija's name, shall be given in the manner specified above, and in The Globe and Mail. All costs associated with this publication shall be borne by Seema Makhija and shall be in addition to any other costs ordered by the Panel.

AND THAT:

6. Seema Makhija's shall pay costs of \$30,000 to CPA Ontario by December 15, 2022.

**DATED** at Toronto this 15th day of June, 2020.

A handwritten signature in blue ink, appearing to read 'R. Adamkowski', is written over the printed name and title.

Randal J. Adamkowski, CPA, CA  
Discipline Committee – Deputy Chair

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO  
*THE CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO ACT, 2017*

**DISCIPLINE COMMITTEE**

**IN THE MATTER OF:** Allegations, as amended, against **SEEMA MAKHIJA, CGA, CPA**, a member of the Chartered Professional Accountants of Ontario, under **Rules 201.1, 202.2 and 205** of the Chartered Professional Accountants of Ontario Code of Professional Conduct, as amended.

**BETWEEN:**

**Chartered Professional Accountants of Ontario  
Professional Conduct Committee**

**-and-**

**Seema Makhija**

**APPEARANCES:**

**For the Professional Conduct Committee:** Kelvin Kucey, Counsel

**For Ms. Makhija:** Gordon Campbell, Counsel

Heard: June 15, 2020

Decision and Order effective: June 15, 2020

Release of written reasons: July 16, 2020

**REASONS FOR DECISION AND ORDER MADE JUNE 15, 2020**

**I. OVERVIEW**

[1] The Professional Conduct Committee of the Chartered Professional Accountants of Ontario ("PCC") had made Allegations that Seema Makhija had breached several provisions of the Chartered Professional Accountants of Ontario ("CPA Ontario") Code of Professional Conduct ("the Code"), while acting as a mortgage broker, in the course of soliciting funds from the complainant, PW, and disbursing those funds for projects in which she had a personal interest. This hearing before a panel of the Discipline Committee of the Chartered Professional Accountants of Ontario ("the Panel") was held to determine whether the

Allegations, as amended on consent at the outset of the hearing, were established and whether the conduct breached Rules 201.1, 202.2 and 205 of the Code and amounted to professional misconduct.

- [2] Ms. Makhija obtained her CGA designation in 2008. Her membership in CGA Ontario was revoked for non-disciplinary reasons on September 19, 2012. She was readmitted to membership in CPA Ontario in October 2016. Her membership was suspended on May 11, 2020, pursuant to an Order of the Discipline Committee, on consent, as a term of an adjournment of the hearing of the Allegations.
- [3] At all material times, Ms. Makhija was a mortgage broker and the owner/operator of a corporation dealing in mortgages. Ms. Makhija voluntarily surrendered her mortgage broker licence subsequent to the events that are the subject of this proceeding. She voluntarily surrendered her company's brokerage licence in October 2017.
- [4] After being widowed in 1998, Ms. Makhija married Mickee Singh ("Singh") in 2012. They separated in September 2017, and she commenced divorce proceedings in November 2017. They divorced in October 2019.
- [5] From approximately November 2014, Ms. Makhija and Singh maintained a business relationship and, quickly thereafter, a social relationship with PW, the complainant, and his spouse. PW and his spouse had a business relationship initially with Singh, involving real estate and mortgage deals. When Singh introduced Ms. Makhija to PW and his spouse, they were told that Ms. Makhija held the credentials of MBA, CPA, CGA and had worked for major construction companies.
- [6] The facts giving rise to the Allegations against Ms. Makhija arose from her dealings with funds provided to her and Singh by PW and his spouse for the purpose of investment in mortgages intended to provide funds for business ventures established by Ms. Makhija and Singh.
- [7] PW made a complaint to CPA Ontario in December 2017 against Ms. Makhija. In February 2018, he commenced a civil claim against Ms. Makhija, Singh, their related companies and the first mortgagees of the subject property. This litigation was eventually settled. In September 2019, PCC appointed an investigator to examine the complaint and subsequently filed Allegations against Ms. Makhija on December 4, 2019.
- [8] The hearing of the Allegations against Ms. Makhija was originally scheduled to be heard on May 11 to 15, 2020. These dates for a contested hearing were ultimately adjourned, on terms, on consent of the parties. Two preliminary motions brought on behalf of Ms. Makhija were also adjourned. They were withdrawn subsequently following discussions between the parties. On the

rescheduled date for a five day hearing on the merits of the Allegations, the parties advised the Panel that the matter had been resolved and was proceeding by way of an Agreed Statement of Facts and joint submission as to penalty.

- [9] When this matter proceeded on the merits, Ms. Makhija admitted the amended Allegations of professional misconduct made by the PCC.
- [10] The onus was on the PCC to show on a balance of probabilities that Ms. Makhija's conduct breached Rules 201.1, 202.2 and 205 of the CPA Ontario Rules of Professional Conduct and constituted professional misconduct.

## **II. PRELIMINARY ISSUES**

- [11] At the outset of the hearing, the PCC indicated that it was seeking to amend the Allegations as a result of discussions between counsel. The intention was that the Allegations would be amended to reflect the evidence that had been agreed upon by the parties. These amendments were extensive. Two Allegations were withdrawn, a new particular was added and the two remaining Allegations were amended in substantive ways.
- [12] Under Rule 9.02 of the CPA Ontario Rules of Practice and Procedure, the leave of the Panel was required for the amendment since it was within ten days of the start of the hearing.
- [13] After reviewing the amended Allegations and considering the amendments, the submissions of counsel, and the consent of the parties, the Panel accepted the amended Allegations. Given that the amendments were made without an amended Notice of Allegations, the amended Allegations are set out below:
  - 1. THAT the said Seema Makhija, in or about the period of January 2017 through July 2018, while principal broker of "AM" and as a mortgage broker, failed to act in a manner which would maintain the good reputation of the profession and serve the public interest, contrary to Rule 201.1 of the CPA Code of Professional Conduct (Code), in that she was involved in the solicitation of "PW" to invest over \$310,000 in a syndicated mortgage she administered and failed to properly supervise the use of those funds, enabling them to be diverted for purposes other than which they were intended including to the benefit of related parties other than PW.
  - 2. That the said Seema Makhija, in or about the period of January 2017 through July 2018, while principal broker of "AM" and as a mortgage broker, allowed her business judgment to be compromised by conflict of interest or undue influence of others contrary to Rule 202.2 of the Code, in that she failed to properly administer a syndicated mortgage

and supervise the use of those funds, enabling them to be diverted for purposes other than which they were intended including to the benefit of related parties other than PW.

3. THAT the said Seema Makhija, in or about the period of January 2017 to July 2018, while principal broker of AM and as a mortgage broker, associated herself with statements which she knew or should have known were false or misleading, contrary to Rule 205 of the Code, in that she drafted, executed and filed Financial Services Commission of Ontario transaction documents related to PW's investment which were inaccurate and potentially misleading.

[14] The hearing proceeded on the basis of the amended Allegations.

### **III. ISSUES**

[15] The Panel identified the following issues arising from the Allegation:

- A. Did the evidence establish, on a balance of probabilities, the facts on which the amended Allegations by the PCC were based?
- B. If the facts alleged by the PCC were established on the evidence on a balance of probabilities, did the amended Allegations constitute professional misconduct?

### **IV. DECISION**

[16] The Panel found that the undisputed evidence established, on a balance of probabilities, the facts set out in the amended Allegations of professional misconduct.

[17] The Panel was satisfied that the Allegations constituted a breach of Rule 201.1, 202.2 and 205 and, having breached these Rules, Ms. Makhija had committed professional misconduct.

### **V. REASONS FOR THE DECISION**

#### *Findings regarding Conduct of Ms. Makhija*

[18] The evidence was placed before the Panel by way of an Agreed Statement of Facts, accompanied by an extensive Document Brief containing documents that the parties had agreed were relevant.

[19] The Panel accepted the facts set out in the Agreed Statement of Facts as having been established in this proceeding. Although both parties sought to present



facts outside the scope of the Agreed Statement, the Panel concluded that the parties were confined to the facts in the Agreed Statement. The Panel did not consider references to purported facts arising outside of the Agreed Statement or the documents submitted in conjunction with it.

- [20] The Panel distilled the following relevant facts from the Agreed Statement of Facts.
- [21] On or about May 2016, Singh, and later Ms. Makhija began purchasing multiple commercial and residential properties through various corporate entities. One of these properties was used as the office for Ms. Makhija's mortgage brokerage business.
- [22] Among these purchases, on November 7, 2016, Singh and Ms. Makhija purchased two building lots in Dundas, Ontario, for the purpose of a proposed housing development ("Dundas property") for a total price of \$2,800,000.
- [23] Shortly thereafter, Ms. Makhija and Singh incorporated a new corporation ("RDBL") and assigned one of the two lots in the Dundas property ("Brock Street Lot") to RDBL for \$2,300,000 on January 12, 2017. They assigned the other lot to a separate corporation.
- [24] To finance the purchase of the Dundas property, Ms. Makhija and Singh obtained a first mortgage through two numbered companies and seven individual lenders. Both Ms. Makhija and Singh executed personal guarantees for the loan.
- [25] By December 2016, Ms. Makhija and Singh, through their various corporations, were committed to transactions valued at \$11,529,000.
- [26] To obtain additional financing for the Brock Street Lot, Ms. Makhija, as a mortgage broker, created a non-qualified syndicated mortgage to be administered through Olympia Trust in a self-directed registered account.
- [27] Ms. Makhija was the mortgage broker of the self-directed account and thereby responsible for the proper management and administration of the syndicated mortgage funds in the interests of the investors.
- [28] In or about December 2016, Ms. Makhija and Singh solicited investment in the syndicated mortgage from PW and his spouse, as well as Ms. Makhija's two sons. Ms. Makhija also solicited investment from a personal friend who had bought two properties previously through Singh.
- [29] On or about January 9, 2017, PW transferred his RRSP savings from a Schedule A bank to his self-directed RSP account with Olympia Trust. PW and his spouse invested a total of \$313,765. This amount constituted over 95% of the value of the syndicated mortgage.
- [30] On February 2, 2017, Ms. Makhija prepared and executed a Financial Services

Commission of Ontario ("FSCO") Form 1.1.

- [31] In Section 2 of the Form 1.1, Declarations by the Mortgage Brokerage, in response to question 2 regarding whether there were any relationships between the mortgage brokerage and the development company, Ms. Makhija stated:

Some of the directors and or principal owners of the development company are also the owners and or directors of the Development company [sic].

As noted above, Ms. Makhija was both a director of the development company and the principal of the mortgage brokerage.

- [32] In Form 1.1, Section 2, Declarations by the Mortgage Brokerage, question 3, which required the mortgage broker to disclose any relationships with the other lenders, Ms. Makhija did not disclose her relationship to her two sons who were investors in the syndicated mortgage.
- [33] In Form 1.1, Section 3, Additional Information Disclosure Summary, Ms. Makhija identified herself as responsible to monitor the disbursement of syndicated mortgage funds to the borrower and the use of those funds by the borrower.
- [34] On February 10, 2017, Ms. Makhija completed a FSCO Form 1 disclosure statement and its related Schedules. In that Form 1, Ms. Makhija asserted, at question 8, that her company was acting for the investor/lender and not the borrower. Although the Form 1 references a single borrower, Ms. Makhija knew or should have known that there were multiple borrowers.
- [35] Ms. Makhija failed to provide PW and his spouse with a copy of the FSCO documentation she prepared and directed them to execute. Ms. Makhija believed Singh had provided PW with the documentation but admitted that it was ultimately her responsibility to ensure the delivery of these documents.
- [36] In the Form 1, Part B, in which the particulars of the mortgage were to be identified, Ms. Makhija omitted various elements of required information.
- [37] Under section 7, Part B of the Form 1, it was indicated that the syndicated mortgage funds were to be advanced in installments based on project costs and the timelines in the project budgets. Ms. Makhija also represented to PW and his spouse, as well as FSCO and Olympia Trust, that the funds of the syndicated mortgage were restricted to the development of Brock Street Lot. This was not the case.
- [38] On or about February 22, 2017, without reference to project costs or timelines in the project budgets, and with Ms. Makhija's knowledge, Olympia Trust transferred all of the funds in the syndicated mortgage to a Royal Bank of Canada account controlled by RDBL.

- [39] Under Part D of the Form 1, the fees payable by the investors were stated as zero, with the fees to be paid by the borrower company from the mortgage amount set at \$5,100.
- [40] On or about February 23, 2017 an unauthorized mortgage broker fee of \$32,520 and "legal fees" in the amount of \$2,193.28 were withdrawn from the syndicated mortgage funds. That payment did not comply with the representations in FSCO Form 1, specifically Part D, and Schedule 8 to that Form 1. Ms. Makhija did not personally remove these funds, but she admitted that she was ultimately responsible for them.
- [41] On or about February 27, 2017, Ms. Makhija withdrew \$85,000 of the syndicated mortgage funds and used it to close the purchase of the property to be used as her mortgage brokerage's office. Ms. Makhija asserted that Singh had refused to advance funds from his personal account, which he had earlier promised to do, for the closing of that purchase.
- [42] On or about March 9, 2017, Ms. Makhija and Singh used over \$72,000 of the syndicated mortgage funds to close the purchase of another property in St. Catharines, Ontario by another company incorporated the previous day by Ms. Makhija and Singh.
- [43] In March 2017, over \$29,000 of the syndicated mortgage funds were used to maintain another property being purchased by a company controlled by Ms. Makhija and Singh, pending the closing of that purchase. Ms. Makhija asserted that Singh made these payments but conceded that she had ultimate responsibility for these funds.
- [44] By Ms. Makhija's own calculations, Ms. Makhija and Singh, through their corporation, RDBL, spent over \$221,000, or approximately 62% of the funds of the syndicated mortgage funds on transactions other than the purchase of the Brock Street Lot. Ms. Makhija admitted that she knew or should have known of this diversion of funds.
- [45] Ms. Makhija was responsible for the accurate disclosure of the use of the syndicated mortgage funds. The timing of the draws and use of the syndicated mortgage funds was inconsistent with what was disclosed to PW and his spouse and FSCO.
- [46] Ms. Makhija admits that she knew or ought to have known that the syndicated mortgage funds were being misused. The syndicated mortgage funds should not have been used for any other purpose than what was detailed in FSCO Form 1.
- [47] Ms. Makhija failed to reasonably inform PW and his spouse of the activities on the syndicated mortgage account. On or about September 29, 2017, Olympia Trust informed PW that the first mortgage for the Brock Street Lot was in default,

imperiling his syndicated mortgage investment. Three days later, PW, via email, sought an update from Ms. Makhija and Singh on the status of the syndicated mortgage investment.

- [48] On or about December 5, 2017, Ms. Makhija and PW met to discuss the status of the syndicated mortgage. At this meeting, Ms. Makhija told PW that Singh had unilaterally withdrawn all the money from the syndicated mortgage account.
- [49] The agreed evidence provided clear, cogent and compelling proof of the facts underlying each of the three amended Allegations. The Panel concluded that these facts had been established on a balance of probabilities.

#### *Finding of Professional Misconduct*

- [50] As noted above, Ms. Makhija admitted that the amended Allegations constituted professional misconduct. The Panel was satisfied that this admission was supported by the evidence and appropriate.
- [51] The Panel accepted that Ms. Makhija had been placed in a difficult position by the unilateral actions of her then-spouse, Singh. The Panel sympathized with her finding herself in these circumstances due to the actions of another. However, even if another person (Singh) was more culpable in causing the result, this did not detract from Ms. Makhija's responsibility for her failure to meet the standards of her profession. As her counsel framed it, Ms. Makhija was trapped in Singh's scheme. However, in the Panel's view, as a member of CPA Ontario she had a duty to rise above the scheme.
- [52] Even apart from her obligations as a mortgage broker, Ms. Makhija had a number of obligations in these circumstances due to the higher standards imposed upon her as a CPA. She had obligation to supervise the funds entrusted to her by PW and his spouse in order to ensure that they were not misused by anyone. She had an obligation to fulfil that duty without being influenced by a conflicting interest, such as that created by the involvement of Singh and herself in the transactions. She also had an obligation to take steps to ensure that any statements she made about the investments were accurate. She failed to meet all of these obligations.
- [53] Consequently, the Panel found that Ms. Makhija had acted in a manner that had failed to maintain the good reputation of the profession, contrary to Rule 201.1 of the Code of Professional Conduct, as amended, and had also breached Rule 202.2 and 205 as set out in the amended Allegations and admitted by Ms. Makhija.

## **VI. DECISION AS TO SANCTION**

- [54] The parties made a joint submission with respect to sanction. The parties submitted that the appropriate sanction was a written reprimand, a fine of \$25,000 payable within eighteen months, the revocation of Ms. Makhija's membership, and the usual order as to publication of the decision in accordance with Regulation 6-2 including notice to all members of CPA Ontario and the decision being available to members of the public. The Panel concluded that it was appropriate to accept the joint submission.

## **VII. REASONS FOR DECISION AS TO SANCTION**

- [55] It is well-established that a joint submission should only be rejected where the proposed sanction would bring the administration of justice into disrepute or be otherwise contrary to the public interest. In practical terms, this test often involves a consideration of whether the proposed sanction falls outside of the reasonable range of sanctions for similar misconduct.
- [56] The Panel found that the misconduct in this case, involving the diversion of funds held under the Member's authority to purposes for which it was not intended was very serious. The seriousness of this misconduct was heightened by the fact that Ms. Makhija gained direct and indirect benefits from the funds, such as the funds used in the purchase of her office property.
- [57] In the Panel's view, the fact that Ms. Makhija permitted the diversion and misuse of a significant amount of money was not what made her misconduct troubling. The heart of the misconduct was that Ms. Makhija was responsible for protecting the funds entrusted to her and she failed to live up to that responsibility. She also failed in her parallel obligation to accurately advise PW and his spouse as to the status of the funds they had entrusted to her. The nature of the misconduct, which amounted to a breach of trust, warranted a severe sanction, including the revocation of Ms. Makhija's membership.
- [58] The Panel accepted that there were significant mitigating circumstances in this case. As discussed above, Ms. Makhija was placed in this position largely due to the actions of her ex-husband, Singh, who appeared to be the primary beneficiary of the diversion of funds. Ms. Makhija eventually admitted that her actions amounted to professional misconduct, thereby showing remorse and avoiding a protracted hearing. At the same time, Ms. Makhija had repaid that missing money from her own funds. In settling PW's civil claim in April 2018, Ms. Makhija paid back the original value of PW's investment plus the originally negotiated interest, and the balance returned in May 2019 including interest and fees. She had no discipline history.

- [59] However, the Panel concluded that none of the mitigating factors caused the joint submission to fall outside of the reasonable range of sanction for conduct of this nature. In the Panel's view, to reject the joint submission, the Panel had to be able to clearly identify a significant deficiency in the proposed sanction. The Panel could not identify any such deficiency.
- [60] The Panel accepted the submission of the PCC that the decision of the Discipline Committee in *Motayne, Re* (February 26, 2019, CPAO Discipline Committee) set a new standard for fines imposed in cases of serious misconduct in imposing a fine of \$40,000. Recognizing that the misconduct in that case was more egregious, the Panel found that the agreed \$25,000 fine was well within the range and could not be questioned.
- [61] The Panel also considered the submission by Ms. Makhija's counsel that a long suspension could be appropriate. While a long suspension was not outside the reasonable range of sanction in a case of this nature, the Panel found that revocation was also equally within the range. Ms. Makhija's counsel fairly conceded that during his submissions. In the Panel's view, Ms. Makhija had a great deal of work to do to rehabilitate herself, but it was reasonable to expect that this rehabilitation would need to occur outside the profession.
- [62] For these reasons, the Panel accepted the joint submission with respect to sanction.

## **VIII. COSTS**

- [63] After extended discussions, the parties agreed that the amount of \$30,000 was an appropriate amount for Ms. Makhija to pay as costs in this proceeding. The only issue between them was the amount of time within which Ms. Makhija would be required to pay those costs. Given the disagreement on this issue, Ms. Makhija gave evidence with respect to her financial circumstances.
- [64] Ms. Makhija indicated that she had lost her employment with a development company when it went into receivership as of May 31, 2020. Given the company's financial situation, she did not anticipate making a claim for termination pay. She had no other employment prospects. Ms. Makhija indicated that the properties that she and Singh had held had all been sold. The only property she still owned was her home, which was heavily encumbered although some of that was a mortgage in favour of her son. She had used her own assets to repay PW and did not have any other assets remaining. There was a sum in court on account of PW's legal costs, which remained unresolved.
- [65] In the Panel's view, the steps that Ms. Makhija had taken in these proceedings, including bringing the preliminary motions that were eventually abandoned, had

increased the overall cost of the proceedings. It followed that Ms. Makhija was responsible for bearing a significant portion of these costs. At the same time, it was appropriate for this Panel to take into account Ms. Makhija's financial circumstances. The Panel was satisfied that fixing the costs payable at \$30,000 struck an appropriate balance.

- [66] The Panel found Ms. Makhija's evidence with respect to her financial circumstances to be credible. Based on that evidence, the Panel found that Ms. Makhija had neither current employment nor extensive financial assets available to her to satisfy both the fine and a costs order. It was unknown when Ms. Makhija could obtain new employment. In the Panel's view, assuming that Ms. Makhija could pay the fine within the 18 months ordered, it was not realistic to think that another six months was enough time for her to gather the resources to pay a significant costs order. The Panel considered a further 12 months, for a total of thirty months, more appropriate.
- [67] The Panel ordered that Ms. Makhija pay costs in the amount of \$30,000 within thirty months of the order being made.

Dated at Toronto this 16<sup>th</sup> day of July, 2020.



Randal J. Adamkowski, CPA, CA  
Discipline Committee – Deputy Chair

Members of the Panel

David Handley (Public Representative)  
George Ireland, CPA, CA  
Catherine Kenwell (Public Representative)  
Salim Somani, CPA, CA, LPA

Independent Legal Counsel

Glenn Stuart  
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