

interest mandate of the CPAO, failed to properly apply the reasonableness standard that governed its review of the Reconsideration Decision, and failed to produce a reasonable decision.

[4] For the reasons that follow, I would grant the application for judicial review, set aside the Appeal Decision, and restore the Reconsideration Decision.

Factual Background

Mr. Siddiqi's Conviction

[5] Mr. Siddiqi pled not guilty at his criminal trial. His position was and is that he was duped by his friend and his business partner and had no intention to engage in any criminal misconduct.

[6] Mr. Siddiqi's criminal trial occurred before Fuerst J. who found that he knowingly caused the issuance of three false invoices in 2005 and 2006 for equipment that did not exist through companies that he controlled. The false invoices were used to receive bank loans totalling over \$740,000 through a program run by the Canada Small Business Financing Directorate, which was aimed at supporting small businesses. Mr. Siddiqi was also found to have wired the loan proceeds to Iran through bank accounts he controlled. The loans were not repaid. Industry Canada ultimately repaid the affected banks approximately \$457,000.

[7] The trial judge made the following key factual findings concerning Mr. Siddiqi's conduct:

- (a) He knowingly participated in the scheme and his conduct was planned and premeditated;
- (b) The companies that issued the three false invoices at issue were controlled by Mr. Siddiqi and registered to his home address;
- (c) Mr. Siddiqi controlled the bank accounts into which the loan proceeds were transferred, which then transferred the bulk of the funds to entities in Iran;
- (d) The scheme in which Mr. Siddiqi was involved was a form of fraud; and
- (e) Mr. Siddiqi's participation in the offences was more extensive than that of his co-accused.

Also, in sentencing Mr. Siddiqi, the trial judge took into account as a mitigating factor that Mr. Siddiqi was likely to lose his designation as a chartered accountant.

[8] In 2015, Mr Siddiqi's conviction and sentence were upheld by the Ontario Court of Appeal, which confirmed that the loan proceeds were proceeds of crime, most of which Mr. Siddiqi put out of reach by transferring them to Iran.

[9] There is no evidence that Mr. Siddiqi personally benefited from the crimes for which he was convicted.

Mr. Siddiqi's Personal and Professional Background

[10] Mr. Siddiqi was certified as a Chartered Accountant in 1994. His professional record is unblemished save for the facts giving rise to the convictions.

[11] Mr. Siddiqi is 57 years old. He is married and has four accomplished children. He is regarded by his family and extended family as kind, caring, supportive, and a role model. He is devoutly religious and has always been deeply involved in his local community. As put by the panel at para. 65 of the Reconsideration Decision: “The Applicant continued to be involved with his mosque, serving as a mentor and teacher. He was also engaged in various charitable projects, for which he is justifiably proud.”

The Reconsideration Decision

[12] Since this decision focuses on how the Appeal Decision dealt with the Reconsideration Decision, I will review the reasoning in both those decisions in some detail.

[13] The Reconsideration Decision was released on February 25, 2025 after a two day hearing that took place in December of 2024. During the hearing an Agreed Statement of Facts was filed and the panel heard oral evidence from Mr. Siddiqi and three witnesses that he called to testify on his behalf. As articulated at para. 3 of the decision, “the only issue to be determined by the Panel was whether the Applicant had established on a balance of probabilities that he met the good character requirement for readmission to the profession.”

[14] The majority of the panel found that Mr. Siddiqi had not met his onus to prove his good character and that he should not be readmitted to membership in the CPAO.

[15] The panel considered the definition of “good character” and the purpose of the good character requirement, which includes protecting members of the public, maintaining the reputation of the profession and showing that the CPAO effectively regulates its members.

[16] The panel outlined and discussed five factors outlined at para. 29 of *Claude Hyman Armstrong v. Law Society of Upper Canada*, 2009 ONLSP 29 that are generally considered in the good character analysis and are often referred to as the “*Armstrong* factors”:

- a. the nature and duration of the misconduct;
- b. whether the applicant is remorseful;
- c. what rehabilitative efforts, if any, have been taken, and the success of such efforts;
- d. the applicant’s conduct since the proven misconduct; and
- e. the passage of time since the misconduct.

[17] With respect to the first factor – the nature and duration of the misconduct – the Reconsideration Decision found that there was no dispute that the conduct was serious and occurred over a fifteen-month period from July 2005 to October 2006. It noted at para. 97 that the

conduct at issue was not a “victimless crime” and the fine paid by Mr. Siddiqi did not “resolve the financial loss”, which amounted to over \$700,000. The majority of the panel found that the conduct involved a series of transactions where Mr. Siddiqi made a series of bad ethical choices. The misconduct extended over an “extended period of time”, was not a “momentary lapse”, and was an essential part of an intentional scheme to acquire small business loans under false pretenses: para. 104. The minority member agreed that the misconduct was serious but found that it was more of a “singular transaction” that occurred many years ago. The panel noted that Mr. Siddiqi did not self-report his misconduct at the time of the transactions. He only did so when he was charged four years later. The panel accepted that Mr. Siddiqi did not benefit financially from the transactions at issue. However, he testified before them that he had a financial interest in both of the companies that were involved in the scheme and was hopeful of benefiting from the companies’ activities in the future.

[18] The panel went on to consider the second factor – whether Mr. Siddiqi was remorseful. In doing so, the panel noted para. 22 of the Agreed Statement of Facts, which states:

[Mr.] Siddiqi accepts the fact of the Convictions. He accepts that he was appropriately sentenced by the Court and that his membership was appropriately revoked. He also accepts responsibility for all circumstances that led to the Convictions.

[19] The Reconsideration Panel then noted that during his evidence before them, Mr. Siddiqi conceded that he transferred funds from unknown sources to his co-accused and to unknown parties in Iran, he did so without asking questions, and that this was a “breach of his fiduciary responsibility”: para. 107. Mr. Siddiqi did not admit that he had falsified invoices or made misrepresentations about the purpose of the small business loan. In considering Mr. Siddiqi’s remorse, the panel accepted that Mr. Siddiqi could not be expected to be remorseful about something he said he did not do. A person should not be expected to confess their guilt to a crime that they honestly believe they did not commit. Thus, the panel focused on the evidence of remorse about Mr. Siddiqi’s “admitted actions or failures to act and the consequences of his role in the fraudulent scheme only.” In particular, the Panel considered whether the Applicant “demonstrated sufficient insight into how his characterization of a breach of fiduciary duty actually impacted on others”: para. 109. In this regard the panel concluded as follows at paras. 111-112:

[111] The entire Panel found that the Applicant’s evidence was essentially that he should have been more careful and because of his failure to pay attention, he and his family had suffered as a result of his Conviction and his loss of professional designation.

[112] Notable was the absence of any evidence from the Applicant about the impact of his admitted behaviours on the affected banks or Industry Canada loans program. Similarly, he did not show any insight into how his behaviour has actually impacted on the public’s perspective on the accounting profession and the trustworthiness of CPA Ontario members.

The panel then noted that none of Mr. Siddiqi’s witnesses at the hearing mentioned that he was remorseful and that while his character letters mentioned his remorse “there were few if any details

about what this meant and so this evidence was not helpful. It was unclear what, if anything, the Applicant was remorseful for or how he may have expressed that remorse”: para. 115.

[20] With respect to the third factor – rehabilitative efforts – the panel accepted that Mr. Siddiqi had “continued to engage with the community and successfully held employment, including in fields related to permitted accounting services”: para. 116. The panel did not consider Mr. Siddiqi’s continuing professional development courses as a rehabilitative effort, as this is a requirement for membership. It also noted that he had paid the fine imposed on him and that he testified that he did this when his health was failing as his religion required that he die debt-free.

[21] The panel accepted that Mr. Siddiqi’s application satisfied the fourth factor as there was no indication that Mr. Siddiqi had reoffended in any way since the misconduct in 2006. “To the contrary, the evidence from the witnesses supported the conclusion that the Applicant has been placed in positions of trust by a number of clients and former colleagues”: para. 119.

[22] The panel then considered the fifth factor – the passage of time. As noted by the panel, the passage of time must be sufficient to indicate that “the applicant has had a sufficient opportunity to reflect on their misconduct, to gain insight, and to sufficiently rehabilitate themselves”: para. 120. The passage of time can also serve as a marker of the seriousness of the misconduct. Five years must elapse before a member can reapply for membership. The majority of the panel found that not enough time had passed since the revocation in 2018, “given the seriousness of the misconduct and his poor insight.” The minority panel member “found that more than enough time had passed since the events in question and the hearing for the Applicant to demonstrate his rehabilitation”: para. 122.

[23] A majority of the panel found that Mr. Siddiqi’s reconsideration application should be dismissed.

[24] The dissenting member found that Mr. Siddiqi was of good character as of the date of the hearing. There had been no misconduct in the 20 years since the fraudulent scheme and Mr. Siddiqi’s actions demonstrated “considerable efforts to rebuild his character”: para. 124. The three character witnesses Mr. Siddiqi called testified to this and their evidence was bolstered by fourteen additional character letters. The dissenting member was “sympathetic to the evidence given by the Applicant about the situation in which he found himself in 2005/2006”: para. 125. The dissenting member also found that Mr. Siddiqi “took responsibility for his actions” by paying the fine of \$495,000: para. 126.

The Appeal Decision

[25] Mr. Siddiqi appealed the Reconsideration Decision and the Appeal Decision was released on August 13, 2025. The Appeal Panel allowed Mr. Siddiqi’s appeal and directed the Registrar to admit Mr. Siddiqi as a member of CPAO.

[26] The Appeal Panel noted that under section 10 of CPAO *Regulation 6-3, Appeal Committee*, an appeal is not a rehearing and that it should be decided on the record. It also noted that the same regulation stipulates that the standard of review to be applied to the Reconsideration Decision was reasonableness.

[27] Mr Siddiqi advanced six arguments to support his challenge to the reasonableness of the Reconsideration Decision. I will review those arguments as they mirror many of the arguments Mr. Siddiqi made on the judicial review.

[28] First, he argued that the Reconsideration Panel incorrectly considered the passage of time from the time of the revocation as opposed to the time from when the misconduct occurred. The Appeal Panel accepted that assessment of time is not a purely chronological exercise, but is largely a factual one, “in which the panel at first instance is entitled to deference”: para. 37. However, the Appeal Panel found that the length of time is less important than the rehabilitative efforts an individual has made during this time. The Appeal Panel accepted that one of the facts that influenced the Reconsideration Panel’s decision to have the passage of time start from the date of revocation was the poor insight that they found Mr. Siddiqi demonstrated at his revocation hearing. However, according to the Appeal Panel at para. 39:

...this determination regarding passage of time is inextricably bound up with the Appellant’s entitlement to maintain his innocence and the rehabilitative efforts he has undertaken since his conviction. Given the Appellant’s entitlement to maintain his innocence, the Appeal Panel finds it was unreasonable for the Reconsideration Panel to discount the Appellant’s rehabilitative efforts which have been ongoing since at least his conviction in 2013. More on this is elaborated below under the Appellant’s second ground of appeal.

[29] The second ground of appeal advanced was that the Reconsideration Panel erred in failing to give sufficient weight to Mr. Siddiqi’s 20 years of exemplary conduct. The Appeal Panel agreed. In doing so, the Appeal Panel found that it was “manifestly unfair” for the Reconsideration Panel to observe that Mr. Siddiqi had not engaged in a victimless crime and that the fine Mr. Siddiqi paid did not resolve the loss. According to the Appeal Panel, the Crown sought a fine rather than restitution and Mr. Siddiqi paid that fine at great personal cost to himself. As put by the Appeal Panel at para. 46: “The manner in which the Court allocates those funds is not a relevant consideration when assessing the Appellant’s rehabilitative efforts.” The Appeal Panel also found that it was unreasonable for the Reconsideration Panel to have commented on the fact that Mr. Siddiqi did not self-report his misconduct before he was charged criminally. There was no obligation under the Rules of Professional Conduct to do so and Mr. Siddiqi testified that he was unaware a crime had been committed.

[30] The Appeal Panel found that the Reconsideration Panel unreasonably discounted the character letters that were filed by Mr. Siddiqi because of the lack of detail provided about the convictions. Seven of the letters were provided in response to CPAO’s invitation for public comment. Thus, the writers of those letters could not have learned about the details of the convictions from Mr. Siddiqi. The ten letters that Mr. Siddiqi solicited all stated that the authors were aware of the convictions and knew that they either related to making false statements or obtaining fraudulent loans. According to the Appeal Panel at para. 53, “[i]t is unclear what more the Reconsideration Panel expected Mr. Siddiqi’s supporters to write. In the Appeal Panel’s view, it was unreasonable to expect greater detail and then to rely on the paucity of detail to discount the value of the letters.”

[31] Finally, the Appeal Panel found that the Reconsideration Panel unreasonably discounted Mr. Siddiqi's hours of continuing professional development since he did more than the required amount. Specifically, in the years 2021, 2022 and 2023 he did 161 hours of professional development courses instead of the required amount of 120 hours. In conclusion, the appeal panel stated at para. 58:

[58] The Appeal Panel finds that the Reconsideration Panel placed undue emphasis on the Appellant's failure to express sufficient remorse while failing to give appropriate weight to the Appellant's significant rehabilitation since the conviction or even the revocation. Given the Appellant's significant rehabilitation efforts since the conviction, the Appeal Panel finds that the Reconsideration Panel's approach was unreasonable.

[32] Mr. Siddiqi's third ground of appeal was that the Reconsideration Panel failed to respect Mr. Siddiqi's right to maintain his innocence. The Appeal Panel did not give effect to this ground of appeal. According to the Appeal Panel, "the Reconsideration Panel found the Appellant was focused on his own and his family's victimization, rather than on the impact of his admitted conduct on the banks, the Industry Trade program and public confidence in the accounting profession": para. 63. This was a finding the Reconsideration Panel was entitled to make on the evidence before it.

[33] Mr. Siddiqi's fourth ground of appeal was that the Reconsideration Panel failed to give effect to para. 22 of the Agreed Statement of Facts. The Appeal Panel rejected this argument, finding that the Reconsideration Panel was entitled to consider and rely on Mr. Siddiqi's testimony regarding his level of responsibility.

[34] The Appeal Panel also accepted Mr. Siddiqi's fifth ground of appeal, which was that the Reconsideration Panel "failed to correctly state and apply the consideration of responsibility and remorse." According to the Appeal Panel, the Reconsideration Panel did not give effect to Mr. Siddiqi's expressions of remorse where he did demonstrate an understanding of how his actions impacted the public and the profession. In particular, the Appeal Panel at para. 72 pointed to the following statement in the declaration that Mr. Siddiqi filed with his application for readmission:

No words can exonerate me or change what I have done. I had obligations to the profession, to the Courts, or the public and to my family. My conduct was less than the standard required. Again, I am genuinely remorseful.

The Appeal Panel noted that Mr. Siddiqi admitted that he had "complete involvement" in the disbursement of funds to Iran and he told the Reconsideration Panel that he breached the public trust and he lived with that every day. Further, as soon as Mr. Siddiqi was charged he told the principals of the accounting firm he worked with and kept them informed of the proceedings. Finally, the Appeal Panel found that four of the people who wrote letters in support of Mr. Siddiqi's application stated that Mr. Siddiqi was remorseful for his conduct. In the view of the Appeal Panel, the Reconsideration Panel unreasonably discounted those statements, which were accepted by the PCC in the Agreed Statement of Facts, as demonstrated by the fact that counsel for the PCC did not seek to cross-examine those letter-writers.

[35] The Appeal Panel rejected Mr. Siddiqi's sixth ground of appeal, which was that he was denied procedural fairness when the Reconsideration Panel allowed counsel for the Association to resile from the Agreed Statement of Facts by cross-examining Mr. Siddiqi on his evidence regarding the facts underlying his convictions. According to the Appeal Panel, Mr. Siddiqi opened himself up to cross-examination when he chose to provide his own version of the events leading to his criminal convictions.

[36] The Appeal Panel summarized its reasons at para. 80 as follows:

[80] The Appeal Panel finds that the Reconsideration Panel's decision was unreasonable in that it placed disproportionate emphasis on the Appellant's failure to express remorse in the manner expected and insufficient emphasis on his substantial rehabilitative efforts in the last 20 years. The Reconsideration Panel's misapprehension of some of the evidence, set out above, contributed to their failure to fully appreciate the evidence of the Appellant's rehabilitation.

[37] After this summary, the Appeal Panel allowed the appeal and directed the Registrar to register Mr. Siddiqi as a member of the CPAO.

The Positions of the Parties

The PCC

[38] The PCC submitted that the Appeal Decision ignored two relevant legal constraints. First, it failed to consider or advert to the Regulations when it conducted its reasonableness analysis. Section 58 of CPAO *Regulation 7-1, Admission to Membership, Obligations and Standing* requires that a member whose membership has been revoked shall not be readmitted except in "extraordinary" circumstances. Further, pursuant to sections 24.1.1 and 35.3 of CPAO *Regulation 6-2, Discipline Committee*, an applicant for readmission has the onus of showing that there has been "a material change in circumstances that makes the decision or order, or a part of the decision or order, unnecessary." Second, the Appeal Decision failed to consider whether finding Mr. Siddiqi to be of good character was consistent with maintaining public trust in the accounting profession, a key purpose of the good character requirement. A similar error caused the Ontario Court of Appeal to find a decision of the Law Society that turned on a finding of good character unreasonable, namely *Law Society of Ontario v. AA*, 2026 ONCA 47. *AA* was released after the Appeal Decision.

[39] The PCC argued that the Appeal Decision failed to conduct a reasonableness review of the Reconsideration Decision, which was a discretionary decision to which considerable deference was owed. On a reasonableness review, the reviewing body must refrain from reweighing or reassessing the evidence considered by the original decisionmaker. According to the PCC, the Appeal Panel impermissibly reweighed the evidence before the Reconsideration Panel and substituted its own view about the weight that should have been given to that evidence. Further, instead of assessing the Reconsideration Decision as a whole, and asking whether its conclusions fell within the range of reasonable and acceptable outcomes and whether there was a rational chain of analysis that supported its conclusions, the Appeal Decision conducted a "treasure hunt for error" of the Reconsideration Decision with a view to justifying substituting its own view of the

evidence for that in the Reconsideration Decision. This departure from the required appellate standard of review rendered the Appeal Decision unreasonable.

[40] The PCC also submitted that, contrary to the Appeal Decision's main holding, the Reconsideration Decision was reasonable. It applied the right test and logically applied the evidence to that test while bearing in mind the public interest mandate of the CPAO and the purpose of the good character requirement. Therefore, this court should set aside the Appeal Decision and restore the Reconsideration Decision.

Mr. Siddiqi's Position

[41] First, Mr. Siddiqi submits that the mandate of this court is to conduct a judicial review of the Appeal Decision, not the Reconsideration Decision. Therefore, the only questions this court should ask are what the standard of review is that should be applied to the Appeal Decision and whether the Appeal Decision is reasonable.

[42] With respect to the content of the Appeal Committee's reasonableness review, Mr. Siddiqi points out that the governing legislation provides no guidance. Thus, the legislature left the determination of what is reasonable to the Appeal Committee.

[43] According to Mr. Siddiqi, the Appeal Committee did not substitute its own view of the evidence for that of the majority of the Reconsideration Panel. Rather, it performed the necessary reasonableness analysis to determine whether there had been a misapprehension of evidence, which then rendered the Reconsideration Decision unreasonable and entitled the Appeal Panel to engage with that evidence.

[44] Mr. Siddiqi emphasized that the purpose of the good character requirement is to recognize the possibility of redemption and self-transformation through rehabilitation. This enhances rather than endangers the CPAO's public protection mandate. According to Mr. Siddiqi, the Appeal Decision correctly recognized that the Reconsideration Decision failed to reasonably consider the evidence of rehabilitation.

[45] Mr. Siddiqi submitted that a fair reading of the Appeal Decision reveals that the decision did not fail to give effect to the CPAO's mandate to protect the public and its reputation. Further, the record disclosed no evidence of a risk to the public. Mr. Siddiqi was not required to prove no risk to the public to be readmitted as the test for readmission does not require perfection or certainty.

[46] With respect to the PCC's reference to the extraordinary circumstances requirement, this issue was not raised before the Reconsideration Panel and was implicitly considered by the Appeal Panel. The evidence of Mr. Siddiqi's 20-year record of unblemished conduct, significant rehabilitative efforts, community service and leadership and self-imposed constraints to avoid future misconduct exemplify extraordinary circumstances justifying readmission.

[47] Mr. Siddiqi also argued that the Reconsideration Decision failed to give effect to para. 22 of the Agreed Statement of Facts and that this failure both tainted its decision and resulted in a breach of procedural fairness. This argument was made before the Appeal Panel and rejected.

[48] Mr. Siddiqi submitted that the Reconsideration Decision failed to give effect to his entitlement to maintain his innocence of the criminal charges without prejudicing his ability to apply for readmission. This argument was considered by the Appeal Panel and rejected.

Analysis

The Statutory Framework for Reconsideration Decisions

[49] As both parties acknowledge this court's mandate is to assess the reasonableness of the Appeal Decision. As *Canada (Minister of Citizenship and Immigration) v. Vavilov*, 2019 SCC 65, [2019] 4 S.C.R. 653, made clear at para. 108, "the governing statutory scheme is likely to be the most salient aspect of the legal context relevant to a particular decision."

[50] Membership and discipline of chartered professional accountants are governed by the *Chartered Professional Accountants of Ontario Act, 2017*, S.O. 2017, c. 8, Sched. 3 ("*CPAO Act*") as well as the CPAO's By-Law and Regulations. The CPAO's General By-Law allows for the revocation of membership in the CPAO in accordance with the Regulations and for the readmission of a member whose membership was revoked.

[51] Pursuant to s. 30.1 of *Regulation 6-2*, an application for readmission after an order revoking membership requires an application for reconsideration of the original order before the Discipline Committee. Section 24 of *Regulation 6-2* provides that an application for readmission cannot be made before the fifth anniversary of the revocation decision. Section 24 also states that the Discipline Committee may reconsider a decision by a panel of the Discipline Committee "if there has been a material change of circumstances that makes the decision or order...unnecessary." Section 58 of *Regulation 7-1* provides that a member whose membership has been revoked shall not be readmitted except in "extraordinary circumstances at the discretion of, and on the restrictions and conditions deemed appropriate by" the relevant decision-maker. Thus, the bar for readmission is a high one and the decision to readmit is discretionary.

[52] Before bringing a motion for reconsideration, the applicant must obtain written confirmation from the Registrar that all the requirements for readmission have been met except for the "good character" requirement.

[53] Pursuant to s. 35 of *Regulation 6-2*, the applicant in a readmission application bears the onus of establishing that they are of good character.

[54] Section 37 of the *CPAO Act* specifies that a final decision of the discipline committee may be appealed to an appeal committee. Pursuant to s. 10 of *Regulation 6-3*, an appeal is not a rehearing and is to be decided on the record before the discipline committee. The appeal committee has the power to determine any question of law or mixed fact and law that arises under the appeal and has the power to order a new hearing or make any order that the discipline committee could have made. However, s. 37(5) of the *CPAO Act* dictates that the appeal committee shall not make either such order "unless it determines that the decision or order appealed from is unreasonable." By inserting this standard, the legislature has indicated that the appeal committee must give considerable deference to the decision of the discipline committee.

The Reasonableness Standard of Review

[55] Since one of the major issues in this application is the content of reasonableness review, it is important to review the principles that govern the application of that standard. Mr. Siddiqi is correct that those principles are not specified in the *CPAO Act*. However, they are comprehensively set out in *Vavilov*. There is no basis for the suggestion that the reasonableness standard applied by the Appeal Panel in this case should be different than the standard applied by the court when reviewing the decision of an administrative tribunal. In both cases the standard is driven by a respect for the legislative choice to give considerable deference to the decisions of the decision maker below.

[56] First, reasonableness review requires considering both the outcome of the decision and the reasoning process engaged in arriving at the decision. The reasoning process must demonstrate transparency, intelligibility, and justifiability and the outcome must be tenable in light of the relevant factual and legal constraints: *Vavilov*, at paras. 99-101. Reasonableness review focuses on the decision below with a view to determining if those standards are met. It does not focus on the conclusion that the Appeal Panel would have reached if it had been in the place of the decision maker below: *Vavilov*, at paras. 83-86. Fundamentally, reasonableness review also recognizes that reasonable people can disagree about what should happen in a particular case. Thus, disagreeing with a decision is not enough to find that the decision is unreasonable.

[57] The onus is on the party challenging the decision to demonstrate that it is unreasonable. Any flaws or shortcomings in the decision must be “sufficiently central or significant to render the decision unreasonable”: *Vavilov*, at para. 100.

[58] Reasonableness review does not demand a standard of perfection. The reasons do not have to include all the details that the reviewing body would have preferred: *Vavilov*, at para. 91. Further, reasonableness review is not a ‘line-by-line treasure hunt for error’’. If there is a “line of analysis within the given reasons that could reasonably lead the tribunal from the evidence before it to the conclusion at which it arrived”, then the reasoning satisfies the hallmark of reasonableness: *Vavilov*, at para. 102.

[59] Where the reasons of a decision maker contain a fundamental gap in their analysis “it is not ordinarily appropriate for the reviewing court to fashion its own reasons in order to buttress the decision”; *Vavilov*, at para. 96.

[60] To be reasonable a decision “must be justified in relation to the constellation of the law and facts that are relevant to the decision”: *Vavilov*, at para. 105.

[61] It is the role of the decision maker below to assess and evaluate the evidence before it. Thus absent exceptional circumstances, reasonableness review requires refraining from “reweighing and reassessing the evidence considered by the decision maker”: *Vavilov*, at para. 125. However, “the reasonableness of a decision may be jeopardized where the decision maker has fundamentally misapprehended or failed to account for the evidence before it”: *Vavilov*, at para. 126. Other circumstances where the rationality of a decision is undermined include where the decision maker has relied on irrelevant stereotypes, failed to consider relevant evidence, or based their conclusion on evidence that was not before them: *Vavilov*, at para. 126.

The Appeal Panel did not conduct a reasonableness review

[62] The Appeal Panel’s reasons for finding the Reconsideration Decision to be unreasonable are summarized in the following paragraph of the Appeal Decision, which for ease of reference is reproduced again:

[80] The Appeal Panel finds that the Reconsideration Panel’s decision was unreasonable in that it placed disproportionate emphasis on the Appellant’s failure to express remorse in the manner expected and insufficient emphasis on his substantial rehabilitative efforts in the last 20 years. The Reconsideration Panel’s misapprehension of some of the evidence, set out above, contributed to their failure to fully appreciate the evidence of the Appellant’s rehabilitation.

[63] As *Vavilov* makes clear, the reasonableness of a decision may be undermined if the decision maker fundamentally misapprehended the evidence before it. Absent such a misapprehension or a failure to consider relevant evidence or a reliance on evidence that was not before it, an adjudicative body that is conducting a reasonableness review is not to reweigh or reassess the evidence considered by the original decision maker.

[64] On the issue of remorse, the Reconsideration Panel concluded, after hearing Mr. Siddiqi testify, that his focus was on the suffering caused to him and his family and that he did not sufficiently appreciate the impact his misconduct had had on the banks, Industry Canada, or on the reputation of the accounting profession. As noted in the Reconsideration Decision, maintaining the reputation of the accounting profession is one of the fundamental goals of the good character requirement.

[65] The Reconsideration Panel was concerned about the issue of remorse since “when [Mr. Siddiqi] appeared before the Tribunal in 2018, [Mr. Siddiqi] did not appear to accept responsibility for any of his misconduct. He blamed his lawyers for the outcome before the Courts. The Tribunal was concerned that the Applicant took no responsibility for any of his poor choices”: Reconsideration Decision, para. 110.

[66] One of the requirements for readmission is to demonstrate a material change in the circumstances that existed when the revocation order was made. One of the circumstances that the Reconsideration Panel found existed at the time of revocation was Mr. Siddiqi’s non-acceptance of responsibility for his misconduct. Thus, the question for them was whether this circumstance had materially changed. On their assessment of the evidence, it had not.

[67] According to the Reconsideration Panel there was an “absence of any evidence from the Applicant” about the impact of his behaviour on the banks, Industry Canada or the reputation of the profession as a whole: Reconsideration Decision, para. 112.

[68] The Appeal Decision found that this statement ignored evidence from the Applicant as to his remorse that was before them. First, there was his statement in the declaration that accompanied his readmission application and second, there was his testimony that he accepted responsibility for disbursing funds to Iran and had betrayed the public trust and lived with that every day.

[69] The question then becomes whether these failures display the kind of fundamental misapprehension of the evidence that jeopardized the rationality of the Reconsideration Panel's decision. In my view they do not. It is clear from the Reconsideration Decision that the entire panel (even the member who dissented on the result) came to the same conclusion regarding Mr. Siddiqi's remorse – that his primary focus was on the effect of his conduct on him, his family and his professional designation. They did so after hearing and seeing Mr. Siddiqi testify, something the Appeal Panel did not do.

[70] Thus, rather than fundamentally misapprehending or ignoring the evidence before them, the Reconsideration Panel weighed all of the evidence they heard and came to the conclusion that that evidence did not demonstrate the insight they were looking for to be satisfied that there had been a material change in Mr. Siddiqi's acceptance of responsibility for his actions since the revocation decision in 2018.

[71] The same analysis applies to the Reconsideration Panel's view of the character letters. Their concern was whether those letters demonstrated the kind of acceptance of responsibility that they had not heard from Mr. Siddiqi in his testimony – an insight and appreciation into the effect of his conduct on the banks, Industry Canada and the reputation of the profession. The letters did not contain sufficient detail to satisfy them of this. Further, to the extent that they heard from three witnesses who wrote character letters, their evidence did not satisfy them on this point.

[72] Instead of deferring to the Reconsideration Panel's assessment of the weight to be attributed to the character letters on the question of remorse, the Appeal Panel did its own weighing of that evidence and decided to accept it, something that is impermissible on a reasonableness review. Again, they did not see or hear the character witnesses who testified.

[73] On the issue of rehabilitation, the Appeal Panel found that the majority decision of the Reconsideration Panel was unreasonable for a number of reasons. First, they found at para. 76 of the Appeal Decision that the Reconsideration Panel "discounted" the 17 letters submitted in support of Mr. Siddiqi. While it is true that the Reconsideration Panel did express its view of the weight to be attributed to those letters on the question of remorse, there is no suggestion in the Reconsideration Decision of a questioning of the evidence in those letters as to the fact that Mr. Siddiqi was a "beloved pillar and leader in his community". Nor does the Reconsideration Decision question the evidence as to the role that Mr. Siddiqi had played in that community and in his family since the events giving rise to the convictions that led to the revocation of his license.

[74] Second, the Appeal Panel expressed a concern about the fact that the majority of the Reconsideration Panel failed to consider Mr. Siddiqi's exemplary conduct in the years prior to 2013. Again, there is no evidence of this. The Reconsideration Panel never questioned the fact that Mr. Siddiqi's conduct since the events giving rise to the misconduct had been exemplary. Rather, they took the view that in light of their concerns about Mr. Siddiqi's lack of insight into the effects of his behaviour, both at the time of his revocation and before then. The Reconsideration Panel concluded not enough time had passed since the revocation to be assured that Mr. Siddiqi had gained sufficient insight into the seriousness of his behaviour.

[75] Third, the Appeal Panel found that the Reconsideration Panel unreasonably discounted Mr. Siddiqi's rehabilitative efforts because he did not self-report behaviour prior to the criminal

charges being laid. I agree with the Appeal Decision that, given that Mr. Siddiqi did not appreciate that he had done anything wrong before he was charged criminally, he could not have been expected to self-report his behaviour before then. However, I do not agree that this error on the part of the Reconsideration Panel is sufficiently material to call into question the reasonableness of the Reconsideration Decision when that decision is read as a whole.

[76] Fourth, the Appeal Panel found that the Reconsideration Decision unreasonably discounted Mr. Siddiqi's rehabilitative efforts because the crime he committed was not a victimless crime and the victims of the crime, namely the banks and Industry Canada, had not been fully compensated. In the view of the Appeal Panel, Mr. Siddiqi had done what the Crown had requested and had paid the fine imposed by the court at great personal sacrifice by selling his daughter's condominium. I disagree that there was no rational basis for the Reconsideration Decision to consider the fact that the victims of the misconduct had not been fully compensated. As noted in the Reconsideration Decision, one of the goals of the good character requirement is to maintain the reputation of the profession. In other words, the public must have confidence in the good character of the profession's members. It is not irrational to find that the public would have more confidence in a member whose misconduct had caused losses if that member had fully compensated the victims of that misconduct for their losses. In this case the fine imposed was considerably less than the losses suffered.

[77] Finally, the Appeal Decision found that the Reconsideration Decision unreasonably failed to give sufficient weight to the hours of continuing professional development that Mr. Siddiqi had engaged in over a three-year period. In the view of the Reconsideration Panel, since continuing education is a prerequisite for registration that every member must establish, it did not say much about Mr. Siddiqi's rehabilitation. While it is true that Mr. Siddiqi performed 41 more hours of continuing education than was required over a three-year period, it is not irrational to find that this does not necessarily say anything about rehabilitation. If there had been evidence that the courses were specifically directed at gaining an understanding of the behaviour that led to the misconduct at issue (for example, courses about the fiduciary obligations of chartered accountants), there might have been a stronger argument to be made on this issue.

[78] In the end, the Appeal Panel simply had a different view than the majority of the Reconsideration Panel of the weight that should have been attributed to the evidence on rehabilitation, just as they had a different view of the weight that should have been attributed to the evidence on remorse. However, their task was not to reweigh the evidence to come their own conclusion. It was to examine the Reconsideration Decision to determine if, taken as a whole, its outcome fell within a range of reasonable outcomes and its reasoning disclosed a rational chain of analysis.

[79] It is important to emphasize again that the reasonableness analysis recognizes that reasonable people can disagree and that disagreeing with the outcome below does not entitle the reviewing body to intervene.

[80] Determining good character is a nuanced exercise. As pointed out in the Reconsideration Decision at paras. 90-91, "[g]ood character connotes moral or ethical strength, distinguishable as an amalgam of virtuous attributes or traits which would include, among others, integrity, candour, empathy and honesty...[a]n appreciation of the difference between right and wrong; [t]he moral

fibre to do that which is right, no matter how uncomfortable the doing may be and not to do that which is wrong no matter what the consequences may be to oneself”.

[81] It is not surprising that reasonable people could disagree on this issue, particularly in the case of someone like Mr. Siddiqi whose misconduct involved financial fraud (a profound betrayal of the values and ethics of the accounting profession), but who, at the same time, has done much good in the world since the misconduct occurred. At play is the tension between recognizing that rehabilitation is an important value of the readmission process and the need to maintain the reputation of the profession by assuring the public that its members will not betray the fundamental values of that profession by engaging in fraudulent conduct. In the end the legislature made a choice about who should make that decision and what powers a panel on appeal should have to set aside the first decision. The decision is to be made by the panel who hears the witnesses and considers the matter at first instance. That decision can only be set aside on appeal if it is unreasonable, not if the Appeal Panel merely thinks that it is wrong.

[82] As noted above, Mr. Siddiqi also challenged the reasonableness of the Reconsideration Decision on two grounds that the Appeal Decision did not accept. For the reasons articulated in the Appeal Decision, I also reject those grounds.

The Appeal Decision failed to consider whether readmitting Mr. Siddiqi was consistent with maintaining public trust in the legal profession

[83] After the Appeal Decision was released, the Ontario Court of Appeal issued a decision that undermines the reasonableness of the Appeal Decision – AA.

[84] AA sexually abused three children on three occasions in a two-month period in 2009. The abuse occurred while he and his family lived abroad in a close-knit religious community. The incidents involved clothed sexual touching. AA disclosed the abuse to various people, but he was never criminally charged. He was subsequently diagnosed with paedophilic disorder but was assessed to be in remission.

[85] In 2012 AA sought to be licensed as a lawyer. He did not disclose the facts of his sexual abuse to the Law Society, who found out about the abuse from an anonymous source. In 2017 AA withdrew his application.

[86] In 2019 AA reapplied to be licensed and his application was referred to the Law Society Tribunal Hearing Division for a hearing into whether he was of “good character.” The Hearing Division found that AA was of “good character” but imposed a condition on his licence requiring that he be supervised if he was meeting with minor children. The Law Society Appeal Division upheld the Hearing Division decision as did the Divisional Court.

[87] The Law Society appealed to the Court of Appeal. In deciding the issue, the Court of Appeal considered the content and the purpose of the good character requirement, which is the same as the content and purpose of the requirement in the case at bar. It also considered the same factors that the tribunals in this case dealt with, i.e. the *Armstrong* factors.

[88] Ultimately the Court of Appeal found that the Hearing Division’s decision was unreasonable because, while it made findings on each of the *Armstrong* factors, it then went on to

state its conclusion that AA was of good character without explaining how “granting AA a licence would be consistent with public trust and confidence in the legal profession”: para. 118. While this analysis could be contained within the analysis of the *Armstrong* factors, in the Hearing Division decision it was not.

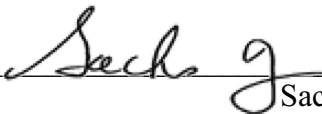
[89] The same is true of the Appeal Decision in this case. In that decision, the Appeal Panel found errors in the Reconsideration Decision’s analysis of the *Armstrong* factors, found that the Reconsideration Decision analysis as to remorse and rehabilitation was unreasonable, and then concluded that Mr. Siddiqi should be readmitted. At no point did the Appeal Panel consider how readmitting Mr. Siddiqi would be consistent with the need to uphold public trust and confidence in the accounting profession. Therefore, applying *AA*, its decision to direct the Registrar to admit Mr. Siddiqi to membership cannot stand.

Remedy

[90] For these reasons the Appeal Decision must be set aside. Since there has been no demonstration that the Reconsideration Decision was unreasonable, that decision should be restored.

Conclusion

[91] The application for judicial review is allowed, the Appeal Decision is set aside, and the Reconsideration Decision is restored. In accordance with the agreement of the parties, Mr. Siddiqi shall pay the PCC its costs of the application fixed in the amount of \$12,000 all inclusive.



Sachs J.

I agree



Backhouse, J.

I agree



A. Himel J.

CITATION: The Professional Conduct Committee of the CPAO v. Siddiqi, 2026 ONSC 2190
DIVISIONAL COURT FILE NO.: 706/25
DATE: 20260414

ONTARIO
SUPERIOR COURT OF JUSTICE
DIVISIONAL COURT

Sachs, Backhouse and A. Himel JJ.

BETWEEN:

The Professional Conduct Committee of the Chartered
Professional Accountants of Ontario

Applicant

– and –

Sameen Siddiqi

Respondent

REASONS FOR JUDGMENT

Released: April 14, 2026