

COURT FILE NO. CV-18-00598704-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF AN APPLICATION UNDER SECTION 242 OF THE *CANADA NOT-FOR-PROFIT CORPORATION ACT*, SC 2009, C. 23

AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3) OF THE *RULES OF CIVIL PROCEDURE*

AND IN THE MATTER OF IMMIGRATION CONSULTANTS OF CANADA REGULATORY COUNCIL MAKING AN ORDER TO DIRECT AN INVESTIGATION TO BE MADE OF THE CORPORATION AND ANY OF ITS AFFILIATED CORPORATIONS AND APPOINT AN INSPECTOR TO CONDUCT THE INVESTIGATION.

MUHAMMAD WATTO

Applicant

And

IMMIGRATION CONSULTANTS OF CANADA REGULATORY COUNCIL

Respondent

AMMENDED NOTICE OF APPLICATION

TO THE RESPONDENT:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicants. The claim made by the applicants appears on the following page.

THIS APPLICATION will come on for a hearing on *(day)*, *(date)*, at *(time)*, at *(address of court house)*.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer or, where the applicants does not

have a lawyer, serve it on the applicants, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicants does not have a lawyer, serve it on the applicants, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least two days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: May 29, 2018, Issued by

Local registrar

Address of court office:

393 University Avenue, 10th Floor
Toronto, Ontario

TO: IMMIGRATION CONSULTANTS OF CANADA REGULATORY COUNCIL

5500 North Service Road, Suite 1002, Burlington, Ontario, Canada, L7L 6W6 – T- 1-877-836-7543, Fax 1-877-315-9868 email; info@icrc-crcic.ca

APPLICATION

1. The **APPLICANTS, MUHAMMAD WATTO** (“**Watto**”), makes application, pursuant to section 169, 242, 251, 253, of the *Canada Not-for-Profit Corporation Act*, SC 2009, c. 23, as amended (CNFPCA), to:

- a) make an order to appoint an inspector to conduct the investigation on respondent's audited or unaudited financial statements/reports, corporate expenses and payouts, annual reports, third-party contracts and payouts, spending and payouts to directors and officers directly or indirectly, procurement records and procedures, public

- complaints against members, investigations and disciplinary decisions, and statistical and regulatory reports submitted to the Government and the membership during annual general meetings;
- b) authorize an inspector to enter any place if the court is satisfied that there are reasonable grounds to suspect that there is relevant information in that place and to examine anything and make copies of any document or record found there;
 - c) make an order to require any person to produce documents or records to an inspector;
 - d) make an order to authorize an inspector to conduct a hearing, administer oaths and examine any person under oath, and make rules for the conduct of the hearing;
 - e) give directions to an inspector or any interested person on any matter arising in the investigation;
 - f) make an order to require an inspector to make an interim or final report to the court and publish the same for public and members' information;
 - g) make an order in appointing a receiver or receiver-manager;
 - h) make an order granting the applicants leave to bring an action in the name of and on behalf of a corporation;
 - i) make a declaration that the corporation and its directors and officers have acted contrary to sections 7, 17, 21, 22, 24, 124, 128, 130, 131, 138, 140, 142, 152, 154, 156, 158, 163, 165, 166, 170, 172, 174, 175, 176, 177, 178, 180, 187, 191, 194, 195, 197, and 198 of CNFPCA with respect to disciplining and selecting board members for nomination for annual elections, since inception;
 - j) make an order requiring the corporation to pay the costs of the investigation; and

- k) determine the notice to be given to any interested person or, subject to subsection (3), dispense with notice to any person;
- l) make an order for any director or officer of the corporation to be suspended from having access to any such record which required inspection/investigation;
- m) make a final report/finding of inspector appointed by the court, pursuant to section 262, 263;
- n) upon a final report and findings of the inspector, make an order in appointing a receiver or receiver-manager to control the affairs of the corporation;
- o) make any other order that it thinks fit; and
- p) make such further and other relief as the court may consider just and appropriate.

2. The **GROUND FOR THE APPLICATION** are:

Muhammad Watto

- a) The applicant, “Watto”, is an individual ordinarily resident in Woodbridge, Ontario;
- b) Watto is and was, at all material times, a Registered Canadian Immigration Consultant (“RCIC”), licensed by the Defendant, the Federally appointed regulatory body, the Immigration Consultants of Canada Regulatory Council (“ICCRC”);
- c) Watto has been a provider of accredited continuing professional development (“CPD”) courses to RCICs and to several provincial law societies since August 2012;

- d) Watto was the Chair of the ICCRC's Disciplinary Hearing Committee from late 2011 to April 2013 as well as a candidate for the ICCRC's board of director elections in 2013, 2016, and 2017;
- e) Watto is a member in good standing of the ICCRC at the current time;
- f) Watto is also President of the United Citizenship and Immigration Consultants' Association, a not-for-profit body which represents the interests of the Canadian Licensed Immigration Consultants who are also members of the ICCRC;

Ryan Dean

- g) The applicant, since the inception of the respondent Ryan Dean is and was, at all material times, a member and Registered Canadian Immigration Consultant ("RCIC"), licensed by a federally appointed regulatory body, the Immigration Consultants of Canada Regulatory Council / Conseil de Reglementation des Consultants en Immigration du Canada ("ICCRC").
- h) During 2016 ICCRC Board election Ryan Dean was a candidate for the ICCRC Board of director's seat from International Region.
- i) In November 2016, Ryan Dean was elected as a member of the ICCRC board for a two-year term ending on November 2018.
- j) Ryan Dean is a founder and hedge fund manager of a Cayman Island Master Feeder Fund and hold my series 7 (registered representative) and 24 (Principal/Supervisor) licenses governed under FINRA and ultimately under the Securities and Exchange Commission in the United States. I also have my series 66 License which is the Investment Advisor designation. I hold an MBA from Rice University as well as a BA in Administration and Economic Studies from the University of Western Ontario (Now Western University). I understand the financial reports and statements at corporate level.

The ICCRC

- k) The ICCRC is a not-for-profit corporation continued under CNFPCA, section February 2011, with its head office located in Burlington, Ontario;
- l) By Order of Council, in or around June 2011, the Federal Government designated the ICCRC as the regulatory body of all RCICs, pursuant to the Regulations Designating a Body for the Purposes of Paragraph 91(2)(C) of the Immigration and Refugee Protection Act, SOR/2011-142. Prior to the designation of the ICCRC, RCICs were regulated by an organization named the Canadian Society of Immigration Consultants ("CSIC");
- m) The ICCRC was designated, pursuant to subsection 91(5) of the *Immigration and Refugee Protection Act*, SC 2001, c. 44 ("**IRPA**"), as the body for purposes of IRPA, paragraph 91(2)(c), whose members in good standing may represent or advise a person for consideration, or offer to do so, in connection with a proceeding or application under IRPA (SOR/2011-142, June 28, 2011; effective June 30, 2011 (SI/2011-57, OIC 2011-731, June 23, 2011));
- n) The ICCRC was also designated, pursuant to subsection 21.1(5) of the *Citizenship Act*, RSC 1985, c. C-29 ("**Cit Act**"), as the body for purposes of Cit Act, paragraph 21.1(2)(c), whose members in good standing may represent or advise a person for consideration, or offer to do so, in connection with a proceeding or application under that Act (Citizenship Regulations No. 2, section 19; SOR/2015-124, June 1, 2015: effective June 11, 2015; SI/2015-68);
- o) ICCRC is the national regulatory body designated by the government of Canada in July 2011, to regulate Canadian immigration, citizenship and international student advising services. Permitted service providers of these regulated professions are known as Regulated Canadian Immigration Consultants (RCICs) and Regulated International Student Immigration Advisors (RISIAs);

- p) The IRPA and the Cit Act require anyone providing Canadian immigration or citizenship advice or representation for a fee or other consideration to be a member in good standing of ICCRC. Exceptions are members in good standing of provincial or territorial law societies or the Chambre des notaires du Québec;
- q) The ICCRC has a federal mandate to regulate individuals who provide Canadian immigration, citizenship, and international student advising services. Individuals who reside outside Canada and provide regulated immigration services, or whose principal location of Canadian immigration services is outside Canada, are also subject to ICCRC regulation;
- r) The corporation and its directors and officers are working against the charter, mandate and articles of the corporation and for their own self-interest;
- s) The Immigration and Refugee Protection Regulations (IRPR) (SOR/2002-227) section 13.2 (1) stipulates: *“A body that is designated under subsection 91(5) of the Act must provide to the Minister, within 90 days after the end of each of its fiscal years, the following information and documents: its most recent annual report; its most recent financial statement and the auditor’s report on that financial statement...”*;
- t) The ICCRC entered into an agreement with the Government of Canada on or around March 2011 which is also known as “contribution Agreement”. This agreement sets out terms and conditions related to the Government’s financial contribution to cover the start-up costs of the ICCRC in its early years as well as other conditions concerning reporting to the Government under section 13.2(1) of the IRPR, investigation and disciplining members, transparency, accountability, openly publishing reports and minutes of meetings for the public and members, third-party contracts, and other such matters;

- u) ICCRC's mandate is to protect consumers of immigration services through effective regulation of immigration and citizenship consultants and promotion of the benefits of using only authorized immigration representatives;
- v) Since inception, the ICCRC has reported its revenue in the following order:
- June 30, 2011 – CAD 0 (Zero)
 - June 30, 2012 - CAD 2,773,319
 - June 30, 2013 – CAD 4,668,478
 - June 30, 2014 – CAD 5,200,215 and 5,271, 671
 - June 30, 2015 – CAD 6,285,452
 - June 30, 2016 – CAD 7,221,146
 - June 30, 2017 – CAD 8,033,701

The total revenue of the IOCCRC since inception is CAD 28,982,096 (28.9 million).

- w) The ICCRC publishes its financial reports in a summary way, with very brief details in notes, a few days before its annual general meeting (AGM). The ICCRC administration have never allowed access to the details of its expenses or answered members' inquiries concerning expenses;
- x) The corporation and its directors and officers are in violation stemming from the altering and forgery of financial statements, which is contrary to the CNPCA 195(1)(2)(3);
- y) The corporation and its directors and officers are using corporation's funds to protect their own interests, rather fulfilling the corporation's mandate;
- z) It is alleged that the directors and officers of the corporation have committed multiple accounting frauds including but not limited to not disclosing third-party contracts in financial statements, and payments and inducements made in reference to tampering with and forging financial statements;

- aa) The directors and officers of the corporation have failed to secure or have destroyed financial records to avoid accountability;
- bb) The corporation and its directors and senior management are subject to an active criminal investigation by the RCMP and may further destroy or alter the records to avoid prosecution;
- cc) The corporation has paid out fees and expenses to an undisclosed third-party corporation without the knowledge, disclosure, or approval of the membership;
- dd) On or around June 30, 2011, the ICCRC had an estimated 1800 members. According to the ICCRC annual report 2017, as of June 30, 2017 its total count for members was 4,284. It is estimated that the ICCRC has over 4,500 members in good standing at the current time, with a projected gross revenue of over CAD 9.5 million by June 30, 2018;
- ee) Since its inception and until June 30, 2017, the ICCRC has reported its summary of public complaints against members as 3,084 complaints received, and 2,547 complaints closed;
- ff) The directors and officers of the corporation have reported misleading and false reports to the public and the membership about disciplinary investigations and reports;
- gg) The ICCRC has regulations setting out rules to investigate and adjudicate public complaints against members which is damaging the corporation's image among the public;
- hh) The public complaints against members were investigated without following proper procedures or legislation;

- ii) Contrary to the Canada Not-for-Profit Corporation Act (CNFPCA), a non-director was appointed to be a member of the Discipline Committee;
- jj) Contrary to the CNFPCA, the corporation appointed persons who are not members of the ICCRC to be involved in the discipline process, including sitting as a member of a complaint and discipline committee panel determining a complaint against a member; and an unlawful delegation of authority for someone other than the Registrar to carry out the actions set out in section 2.2 of the Discipline Committee Rules of Procedure;
- kk) The Public Interest Directors were illegally appointed in November 2016 in contravention of the 2016 ICCRC By-Laws;
- ll) The ICCRC board, officers, committee members, registrar and other administrative staff have worked contrary to statutory and regulatory provisions concerning conflict of interest;
- mm) The directors and the officers completely ignored and have refused to recuse themselves from major decisions where there was a clear apprehension of ~~bias~~ major conflict of interest affecting the corporation's mandate and activities;
- nn) The activities or affairs of the corporation or any of its affiliates are or have been carried on or conducted, or the powers of the directors are or have been exercised, in a manner that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of the ~~members~~ corporation;
- oo) The ICCRC Board of Directors, Senior Management and administrative staff as officers of the corporation, public officers and in personal capacity having responsibility for the formation, activities or affairs of the corporation or any of its affiliates, have acted fraudulently or dishonestly or in bad faith, tantamount to criminal acts;

- pp) There is evidence of an open and known violation of human rights, apprehension of bias discrimination within the administration at every level;
- qq) The directors and the officers of the corporation have abused their power and made several procurement decisions contrary to statutory and regulatory policy or provisions or approval of the board.
- rr) The ICCRC administration has virtually created various classes of members thereby making it impossible for the unwanted class to play its role in a democratic way;
- ss) The board of directors and the officers of the ICCRC have made changes to the corporation's by-laws and regulations to oppress, silence and bar the opposition from being in any controlling position via democratic means;
- tt) In May 2017, an elected director of the corporation was terminated illegally and in bad faith for asking for investigation of financial reports and statement transparency, and because the director testified at the Parliament of Canada in respect to various problems at the ICCRC including but not limited to the suspect financial statements. That elected director was given a "resolution by the Board" shortly thereafter which was identified, in writing, as witness tampering by the chair of the parliamentary committee;
- uu) The elected director was removed by the board shortly after that and also in contravention of the CNPCA 158;
- vv) The Standing Committee on Immigration Consultants at the Parliament of Canada issued a report unanimously recommending that the ICCRC be deregulated;
- ww) The ICCRC administration and the board allegedly committed a voting fraud in the 2017 Board of Directors elections and voting on members' proposals for amendments during the 2017 AGM;

- xx) Members who asked questions to the board and the administration during the 2013-2017 AGMs were harassed and threatened, and force was used to silence them;
- yy) Any member who submitted his/her proposal or resolution for an amendment in the by-law or for a question on transparency and accountability, was directly and indirectly harassed, threatened by the board and the administration, and subsequently disciplinary complaints or lawsuits have been filed in order to silence the critic;
- zz) Between January 2018 and March 26, 2018, a former director and officer of the ICCRC admitted on record that there was forgery and altering of the audited and certified financial statements in November 2016 and many other problems at the ICCRC, and implied that the director, since removed by the board, was largely right;
- aaa) There is no mechanism or system in place where a complaint against a member of the board or the administration can be filed;
- bbb) There is no transparency or accountability, and member of the board and the members are denied access required pursuant to statutory provisions;
- ccc) The corporation and its board hired staff for key positions in order to favour friends and without any merit;
- ddd) The board and the administration of the corporation have made several misleading and false statements concerning a third-party agreement and such information has never been disclosed to the members in any forum or during annual general meetings;
- eee) The corporation has worked contrary to its purpose, mandate and articles;

- fff) The activities of the corporation or any of its affiliates are or have been carried on with intent to defraud the membership;
- ggg) After almost one year of investigation and observation, on June 16, 2017, the Parliamentary Committee on Citizenship and Immigration issued its report to the Government indicating complete dissatisfaction concerning the ICCRC, its operations and mandate to protect the public, and made recommendation to the Government to strip regulatory/licensing powers from the ICCRC. It is most likely that the ICCRC will soon be no longer the regulatory body and the current members will lose any right to seek such remedy and justice;
- hhh) On several occasions, the applicants as a member has asked the Government via the Minister of Citizenship and Immigration to intervene, and the Minister's office has advised seeking remedy via RCMP or under CNPA;
- iii) The applicants became aware of most of the information and evidence in this application between November 2016 and May 2017, and further delay in filing this application and seeking remedy will raise statutory limitation restrictions;
- ~~jjj) The actions of the ICCRC have directly affected the statutory rights of the applicants as a member, as well as his livelihood;~~
- kkk) The actions of the ICCRC have greatly affected the public interest and the trust of the members' profession and image among the public and the Government;
- lll) The member and the majority of other fellow members have lost trust in the ICCRC and this investigation will be the only way to find the truth;
- mmm) directors have breached their fiduciary duties to the association

- nnn) the corporation has not or is taking appropriate action around an alleged breach of fiduciary duty and to recover for the benefit of the corporation and its whole body of members
- ooo) corporation that may not otherwise be redressed because of failure
- ppp) of the corporation to act
- qqq) to enforce the rights of the corporation when the corporation is itself unwilling to act
- rrr) To deal with harm done to the association by its administration, directors and officers;
- sss) the action appears to be in the interests of the association and its mandate or objectives
- ttt) The member is left with no other option but to seek justice and remedy to investigate the activities of the ICCRC and seek justice via this application.
- uuu) CNPCA, section 169, 242, 251, 253;
- vvv) Rules 14.05(2) and 14.05(3)(f) of the *Rules of Civil Procedure*.

3. The following **DOCUMENTARY EVIDENCE** will be used at the hearing of the application:

- a) an affidavit of Muhammad Watto, the Applicants, and another member who was a former Director of the ICCRC, to be sworn with attached exhibits outlining the facts forming the basis for the requested orders;
- b) an affidavit of Mr. Ryan Dean, a former elected member of the ICCRC board of directors and a current member;
- c) several witnesses or their statements; and

d) such further and other documents and/or witnesses as the court may permit.

DATE: May 29, 2018,

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