



THE MANITOBA
SECURITIES
COMMISSION

IN THE MATTER OF: THE REAL ESTATE BROKERS ACT

-and-

IN THE MATTER OF: TEDDY BEYENE

**STATEMENT OF ALLEGATIONS OF STAFF
OF THE MANITOBA SECURITIES COMMISSION**

**STAFF OF THE MANITOBA SECURITIES COMMISSION (“Commission”)
ALLEGE THAT:**

A. REGISTRATION

1. Teddy Beyene (“Beyene”) is a resident of the City of Winnipeg, in the Province of Manitoba.
2. At all material times, Beyene was registered as a real estate salesperson under *The Real Estate Brokers Act* (the “REBA”) with Re/Max Professionals (“Re/Max”).
3. Beyene is currently seeking to become registered with a new brokerage under *The Real Estate Services Act*.

B. DETAILS

Accident, and Information that Beyene provided to MPI

4. On December 14, 2019, Beyene was involved in a motor vehicle accident (the “Accident”).
5. Pursuant to the Accident, on January 5 and 6, 2020, Beyene completed two loss of function reports (the “LOF Reports”) with a case manager of the Manitoba Public Insurance Corporation (“MPI”) and applied for MPI Income Replacement Indemnity Benefits (“IRI Benefits”).
6. In the LOF Reports, Beyene indicated, among other things, that because of the Accident, he was unable to drive a motor vehicle in any capacity, and that he was unable to work in any capacity.
7. Between January 30, 2020 and March 6, 2020, Beyene was contacted on five occasions by the MPI case manager assigned to his case, where during each occasion Beyene was requested to provide updates on his ability to drive, and ability to return to work.

8. On each occasion of being contacted by the MPI case manager, Beyene indicated he was unable to drive and unable to work, and that he had not driven and had not worked, since the MPI case manager's previous contacting of Beyene ("Additional Information Provided by Beyene" with the LOF Reports, the "Claim").

9. Beyene ultimately collected IRI Benefit payments from MPI totaling \$15,911.48 in relation to the Claim.

MPI Investigation and Surveillance of Beyene

10. Between January 21, 2020 and January 31, 2020 ("Investigation Period"), MPI conducted an investigation of Beyene in relation to the Claim.

11. MPI's investigation, which included video surveillance, showed that Beyene was actively driving his vehicle, and had continued to conduct real estate transactions during the Investigation Period, while continuing to collect IRI Benefits.

MPI's Finds Beyene Provided False Information

12. MPI's investigation ultimately concluded that Beyene's assertions in the LOF Reports and Additional Information Provided by Beyene to MPI were inconsistent with Beyene's functional abilities as demonstrated during MPI's surveillance of Beyene.

13. MPI concluded that Beyene had knowingly provided false information to MPI in relation to the Claim.

14. MPI also concluded that on one occasion, where Beyene had indicated to MPI that he was attending at his doctor's office, Beyene had actually been at the time, caught on surveillance, conducting a showing for a real estate transaction.

15. On May 6, 2020, MPI suspended any further IRI Benefits to Beyene and required Beyene to reimburse the full amount of IRI Benefits which he had collected ("MPI's Decision").

16. Beyene did not contest MPI's Decision, and paid in full, the IRI Benefits back to MPI.

Staff Learn of MPI's Findings and Contact Beyene

17. Investigation Staff of Commission ("Investigation Staff") learned of MPI's findings and MPI's Decision initially by an MPI Media Release entitled "Top 5 Frauds in 2020 Revealed".

18. Investigation Staff contacted Beyene, requesting a response regarding MPI's findings of fraud against Beyene.

19. Beyene indicated to Investigation Staff that he did not intend to make fraudulent declarations to MPI in his Claim, but rather had made mistakes in his reporting, citing that he did not correctly understand the questions being asked of him, and that English was his second language.

20. Investigation Staff concluded that Beyene's reasons provided to Staff were completely inconsistent with Beyene's various assertions in the LOF Reports and Additional Information Provided by Beyene to MPI.

21. Investigation Staff also concluded that Beyene's reasons did not account for the instance where Beyene had indicated to MPI that he was attending at his doctor's office, but where Beyene had actually been at the time, caught on surveillance, conducting a showing for a real estate transaction.

C. ALLEGATIONS

1. Staff of the Commission allege that,

- (a) Beyene made repeated false statements to MPI in order to collect IRI Benefits, to which he was not entitled, and while he continued to work as a real estate salesperson;
- (b) Beyene made false statements to Investigation Staff when responding to Staff's request that Beyene provide a response of MPI's findings of fraud against Beyene;
- (c) Beyene's conduct, as set out above, was contrary to the public interest;

and due to these allegations and matters referred to herein, pursuant to s. 11(1) of the REBA, Beyene's registration should be cancelled, suspended or terms and conditions should be attached to his registration. Further, Beyene should pay the costs of the investigation into matters referred to in these allegations and pays costs of the hearing.

2. Such further and other matters as counsel may advise and the Commission may permit.

DATED at Winnipeg, Manitoba this 13th day of June, 2023.



Director

TO: TEDDY BEYENE