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REASONS FOR DECISION

1. OVERVIEW

[1] The Applicant, Peter Michael Deeb, brought a motion for a partial stay of the Final Order and Decision on Sanctions and Costs of a Canadian Investment Regulatory Organization disciplinary panel dated February 3, 2026,¹ pending the disposition of his application for a review of that decision and the previous Liability Decision of the CIRO panel dated April 14, 2025². We heard and dismissed the motion, with reasons to follow, on April 6, 2026.³ These are our reasons for that decision.

2. BACKGROUND

[2] Deeb has worked at Hampton Securities Limited (**Hampton**) since it was founded in 1996. Prior to the Sanctions Decision, he was the CEO, the Ultimate Designated Person (**UDP**) and a registered representative with Hampton.

[3] In the Liability Decision, the CIRO panel found that Deeb engaged in a prohibited trading practice in client and firm inventory accounts and failed to promote compliance by Hampton with regulatory requirements contrary to prescribed obligations of a UDP. In the Sanctions Decision, the CIRO panel found Deeb to have acted dishonestly in relation to CIRO's investigation and characterized his misconduct as serious violations of CIRO's rules requiring significant sanctions.

[4] The CIRO panel ordered the following sanctions against Deeb:

- a. a fine of \$500,000;
- b. disgorgement of \$1,225,237;
- c. the revocation of Deeb as the UDP of Hampton and a permanent bar from serving or being approved or registered as a UDP;

¹ *Deeb and Hampton Securities*, 2026 CIRO 7

² *Deeb and Hampton Securities*, 2025 CIRO 18

³ (2026), 49 OSCB 3181; https://www.capitalmarketstribunal.ca/sites/default/files/2026-04/rad_20260406_deeb.pdf

- d. a one-year suspension from being approved or registered as a registered representative;
- e. a three-year suspension from being approved or registered as an Executive or Supervisor; and
- f. costs of \$230,000.

- [5] Deeb's review application seeks orders setting aside or varying the Liability Decision and the Sanctions Decision, in their entirety. However, he sought a stay on this motion of only the sanctions referred to in sub-paragraphs 4(d) and (e) above. At the hearing of the motion, counsel for CIRO advised that it was not CIRO's intention to enforce any of the monetary sanctions against Deeb pending the final disposition of his review application.
- [6] The requested stay would permit Deeb to continue to act as a registered representative and Board Chair at Hampton, as well as maintaining his role as the CEO and Chair of Hampton's parent company.
- [7] In support of this stay motion, Deeb filed two affidavits, both sworn February 27, 2026. The first is sworn by him personally (the **Deeb Affidavit**) and the second is sworn by Haidar Flahat, who is currently the Chief Compliance Officer of Hampton. Deeb also filed excerpts from the transcripts of the examinations of three of the witnesses who testified at the CIRO disciplinary hearing, including himself.
- [8] Both CIRO and the Ontario Securities Commission oppose the stay sought by Deeb on this motion. Neither filed any evidence on the motion.
- [9] On March 9, 2026, the Tribunal ordered that the Liability Decision and the Sanctions Decision be stayed pending the disposition of this stay motion (the **Interim Stay Order**).⁴
- [10] Deeb's review application is scheduled to be heard on October 1 and 2, 2026.
- [11] While Hampton was a party to the proceedings before the CIRO panel, it has not sought a review of either the Liability Decision or the Sanctions Decision as they

⁴ (2026), 49 OSCB 2141; https://www.capitalmarketstribunal.ca/sites/default/files/2026-03/rad_20260309_deeb.pdf

apply to it, nor has it taken any position with respect to Deeb's stay motion or his application for review.

3. LAW AND ANALYSIS

3.1 The test for a stay

[12] The Tribunal has the authority to grant a stay of CIRO's decision pending the disposition of Deeb's review application pursuant to s. 8(4) of the *Securities Act*.⁵

[13] The following three-part test for the granting of a stay as articulated by the Supreme Court of Canada⁶ applies:⁷

- a. there is a serious issue to be tried;
- b. the moving party would suffer irreparable harm if the stay was refused;
and
- c. the balance of convenience favours granting the stay.

[14] Deeb bears the onus of establishing that all three parts of the above test have been met.

3.2 Is there a serious issue to be tried?

[15] The threshold to establish that there is a serious issue to be tried is low. The Tribunal is required to make a preliminary assessment of the merits of the review application and be satisfied that the application is neither vexatious nor frivolous.⁸

[16] All the parties acknowledge that the review application is neither vexatious nor frivolous. We agree. Deeb has satisfied this part of the test.

⁵ RSO 1990, c S.5

⁶ *RJR-MacDonald Inc v Canada (Attorney General)*, [1994] 1 SCR 311 (**RJR-MacDonald**)

⁷ *Eley (Re)*, 2020 ONSEC 30 (**Eley**); *Odorico (Re)*, 2023 ONCMT 10; *Ali (Re)*, 2023 ONCMT 30

⁸ *RJR-MacDonald* at 337

3.3 Will Deeb suffer irreparable harm if a stay is not granted?

[17] The second part of the test imposes on Deeb the burden of demonstrating, on evidence that is clear and not speculative, that he will (not may) suffer irreparable harm.⁹

[18] The meaning of “irreparable harm” in the present context is succinctly described in the following excerpt from the reasons of the Supreme Court of Canada in *RJR-MacDonald*:

“Irreparable” refers to the nature of the harm suffered rather than its magnitude. It is harm which either cannot be quantified in monetary terms or which cannot be cured, usually because one party cannot collect damages from the other.¹⁰

[19] Deeb submits that he has discharged the evidentiary burden of demonstrating that, if the stay sought is not granted, he will suffer financial harm that cannot be cured.

[20] In the Deeb Affidavit, the applicant attests to having a book of business consisting of approximately 50 clients and total assets of \$60 million. He goes on to say that, if he is suspended as a registered representative pending disposition of the review application, he has “serious concerns” that it will cause irreparable harm to his client business and “believe[s]” that some of his clients will leave Hampton thereby negatively affecting his book of business.

[21] In oral submissions, Deeb’s counsel attempted to supplement the above statements in the Deeb Affidavit by asserting that an unspecified CIRO rule would prevent Deeb from earning commission income from Hampton during the currency of any suspension.¹¹

⁹ *Kitmitto et al v Ontario Securities Commission*, 2023 ONSC 1739 (Div Ct) (**Kitmitto**) at para 13; *Sazant v College of Physicians & Surgeons (Ontario)*, 2011 Carswell Ont 15914 (ONCA) (**Sazant**) at para 11

¹⁰ *RJR-MacDonald* at 341

¹¹ During the hearing of the motion, we asked counsel for Deeb to provide us with a reference to such rule, but none was provided until after we had rendered our decision at the conclusion of oral argument. While counsel did refer us to Rule 3505 of the Investment Dealer and Partially Consolidated Rules via email to the Registrar on April 15, 2026, consideration of the interpretation and applicability of this rule forms no part of these reasons in view of the timing of that communication.

- [22] Deeb argued that his concerns and beliefs, as expressed in the Deeb Affidavit, coupled with the effect of the unspecified CIRO rule, satisfied his evidentiary burden of showing a loss, in this case financial, that would inevitably flow from any suspension of his registered representative registration. It should be noted that Deeb offered no evidence and advanced no argument of loss, financial or otherwise, that would flow from his suspension as an Executive or Supervisor.
- [23] On the question of whether the alleged loss would or could be cured, Deeb submitted that, if successful on the review, CIRO, as a self-regulatory body, had no obligation to and would not compensate him for any loss suffered as a result of the suspension of his registered representative registration.
- [24] In addition to relying upon the general statement of the law in *RJR-MacDonald* quoted above, Deeb referred us to a number of past authorities in which a stay of a registration suspension was granted pending the disposition of a review of a decision of a self-regulatory body.¹² In particular, Deeb relied upon the decision of this Tribunal in *Eley (Re)*, a case where the Tribunal found on the evidence before it that the applicant, a registered representative, would suffer irreparable harm due to the suspension of his registration and went on to stay the suspension pending the disposition of his review application.¹³
- [25] Both CIRO and the OSC submit that Deeb has failed to meet the evidentiary burden of establishing that he will suffer irreparable harm if his suspension as a registered representative is not stayed pending the disposition of his review application.
- [26] They argue that Deeb's evidence of loss or harm is "weak", "soft" and/or "speculative". Relying on the decisions of the Ontario Court of Appeal in *Sazant* and the Divisional Court in *Kitmitto*, they argue that Deeb's evidence amounts to no more than evidence of possible or likely harm which does not meet the evidentiary burden of demonstrating that Deeb "will" suffer irreparable harm if a stay is not granted.

¹² *Eley* at para 41; *Sterling Grace & Co. Ltd (Re)*, 2013 ONSEC 41 at para 29; *Northern Securities Inc (Re)*, 2013 ONSEC 48 at para 12; *Pariak-Lukic v Investment Industry Regulatory Organization of Canada*, 2016 ONSC 2564 (Div Ct) at para 3

¹³ *Eley* at paras 28-30 and 41

- [27] We agree with CIRO and the OSC that Deeb has not met his evidentiary burden of establishing irreparable harm. Deeb has offered no evidence of any clients leaving or threatening to leave him since the Sanctions Decision was issued, no evidence that he will lose his job at Hampton if a stay is not granted and no evidence of how his financial circumstances or income will be affected by the suspension.
- [28] Even if we accept, in theory, that some level of financial loss is likely as a result of an inability to earn commissions, it does not, in our view, take Deeb over the evidentiary hurdle he faces in establishing irreparable harm. The Deeb Affidavit says nothing about how he is remunerated by Hampton or how that remuneration will be affected by his suspension as a registered representative.¹⁴ Moreover, in contrast to the evidence in *Eley (Re)*, the Deeb Affidavit says nothing about Deeb's broader financial situation, his obligations, or other sources of income.
- [29] Borrowing from the language of the Divisional Court in *Kitmitto*, we find Deeb's evidence that he will suffer, as a result of the suspension of his registered representative registration, either a loss of clients or a financial loss that cannot be cured to be "unconvincing". In contrast, and by way of distinguishing the decision in *Eley (Re)* from this case, the Tribunal in that case found that "The evidence demonstrates that Eley **will** suffer financial harm if the stay is not granted,..."(Emphasis added).¹⁵

3.4 Does the balance of convenience favour granting a stay?

- [30] The third part of the test requires an assessment of which of the parties will suffer greater harm from granting or denying the stay.
- [31] Given that we have found that Deeb has failed to establish that he will suffer irreparable harm if a stay is not granted, we do not, strictly speaking, need to consider this part of the three-part test.

¹⁴ While none of the parties made reference to it in their written submissions or oral arguments, we note with interest the reference at paragraph 10 of the CIRO panel's Reasons for Decision on Sanctions and Costs to an affidavit sworn May 28, 2025 by Deeb in which he attests that he is a salaried employee at Hampton and does not earn any commissions, remuneration, or percentage on trading in fee-based accounts at Hampton.

¹⁵ *Eley* at para 28

[32] That said, we note that the Court in *RJR-MacDonald* placed significant weight on the role of the public interest in the assessment of where the balance of convenience lay in the regulatory context.

[33] Accordingly, we would have been inclined to give significant weight to the benefit of public confidence in the disciplinary processes of CIRO as a self-regulatory body when assessing relative harm from a balance of convenience perspective.

[34] However, we would have been unable to conclude whether imposing conditions on Deeb's registration might satisfactorily ameliorate any potential harm to market integrity or the public consequent upon the granting of the requested stay. Only the OSC made limited written submissions on this issue. Otherwise, the issue was addressed only in limited oral submissions by the parties in response to questioning by the panel.

4. CONCLUSION

[35] For these reasons, we dismissed Deeb's stay motion. However, in order to allow Deeb sufficient time to get his affairs in order, we allowed the Interim Stay Order to remain in effect for 10 business days following the date of our April 6, 2026, order.

Dated at Toronto this 21st day of May, 2026

"James Douglas"

James Douglas

"Judith Robertson"

Judith Robertson

"Mary Condon"

Mary Condon