



Citation: Yousefi and Auto CA Inc. v. Registrar, *Motor Vehicle Dealers Act, 2002*, 2026 ONLAT MVDA 17364

Licence Appeal Tribunal File Number: 17364/MVDA

In the matter of an appeal from a Notice of Proposal to Revoke Registration under section 9 of the *Motor Vehicle Dealers Act, 2002*, S.O. 2002, c. 30, Sch B (the “Act”), and an Immediate Temporary Suspension Order issued under section 10 of the *Act*.

Between:

Saman Yousefi and Auto CA Inc.

Appellants

And

Registrar, *Motor Vehicle Dealers Act, 2002*

Respondent

DECISION

ADJUDICATOR: Michael Beauchesne

APPEARANCES:

For the Appellants: Saman Yousefi, Self-Represented

For the Respondent: Zachary Kowalsky, Counsel

Interpreter (Farsi language): Morteza Abdolalian

HEARD by videoconference: January 8-9, 2026

OVERVIEW

- [1] Mr. Saman Yousefi and Auto CA Inc. (together, the “appellants”) appeal a Notice of Proposal to Revoke Registration (“NOP”) under section 9 of the *Act*, and an Immediate Temporary Suspension Order (“ITSO”) under section 10 of the *Act*—both issued by the Registrar (the “respondent”) on July 3, 2025.
- [2] The appeal of the NOP specifically is in respect of Mr. Yousefi’s registration as a motor vehicle salesperson, and Auto CA Inc. (“Auto”) as a motor vehicle dealer. Mr. Yousefi is the sole director and officer of Auto.
- [3] With regards to the ITSO, the Tribunal first ordered an extension on July 30, 2025, when it adjourned the hearing. The Tribunal then confirmed on December 2, 2025—after ordering another adjournment—that the ITSO would not be varied and remain in force until the conclusion of the hearing. During the proceedings that commenced on January 8, 2026, I clarified that receipt of my written reasons by the parties would constitute the end of the hearing.

ISSUES

- [4] The issues in dispute, in accordance with section 14(3)(b) of the *Act* and confirmed by the parties, are:
 - (a) Has the Registrar established that the past conduct of Mr. Yousefi affords reasonable grounds for belief that he will not carry on business in accordance with law, and with integrity and honesty pursuant to section 6(1)(a)(ii) of the *Act*?
 - (b) Has the Registrar established that the past conduct of Saman Yousefi as a director of Auto affords reasonable grounds for belief that Auto will not be carried on in accordance with law, and with integrity and honesty pursuant to section 6(1)(d)(iii) of the *Act*?
 - (c) If so, is the revocation of the licenses for Mr. Yousefi as a motor vehicle salesperson, and/or Auto as a motor vehicle dealer, appropriate?

RESULT

- [5] The respondent has met its onus under the *Act* on all issues and the NOP is confirmed.

ANALYSIS

Does the past conduct of Mr. Yousefi afford reasonable grounds for belief that neither he, nor Auto, will carry on business in accordance with the law, and with integrity and honesty?

- [6] I find the respondent has met its onus to prove that Mr. Yousefi's past conduct affords reasonable grounds for belief that neither he, nor Auto, will carry on business in accordance with the law, and with integrity and honesty.
- [7] Section 15(4) of the *Act* provides that an inspector may, in the course of an inspection, require a person to produce a document or record and to provide whatever assistance is reasonably necessary. Section 15(4) also compels the person to produce the document or record or provide the assistance required by the inspector. Section 15(5) goes on to specify that no person shall obstruct an inspector conducting an inspection—or withhold from him or her, or conceal, alter or destroy any money, valuables, documents, records, motor vehicles, or motor vehicle parts—that are relevant to the inspection.
- [8] The respondent submits that Mr. Yousefi obstructed an inspection of Auto undertaken by Ontario Motor Vehicle Industry Council ("OMVIC") inspector Anika Davidson between December 12, 2024, and February 25, 2025. The respondent points to multiple postponements requested by Mr. Yousefi as evidence of his non-compliance with section 15 of the *Act*, as well as his failure to disclose his allegation of stolen documents by business partners until well after a month into the inspection period—and despite him knowing the documents had been taken or were otherwise missing weeks earlier. The respondent contends that even if the documents required by Ms. Davidson were stolen, there were alternate means to obtain some of them through other sources, which Mr. Yousefi failed to do.
- [9] While the respondent agrees that all the required documents were eventually produced by Mr. Yousefi by November 2025, it maintains there is insufficient evidence to justify the nearly year-long period that elapsed before Mr. Yousefi produced the documents required for Ms. Davidson's inspection.
- [10] Mr. Yousefi argues that the respondent's NOP does not give due consideration to his lack of access to the required documents, nor to the lack of guidance provided by Ms. Davidson and her supervisor during the inspection process. Mr. Yousefi explains that "nobody told him what to do," and reasons that he did not share the stolen status of the required documents sooner because he was trying

to get them back. Mr. Yousefi underscores his grievances about not receiving help from Ms. Davidson (i.e., advice on alternate means of obtaining the required documents to assist with compliance) by offering that he is new to the auto business and therefore never knew or thought of other options to recover the required documents.

- [11] Mr. Yousefi relies on the testimony of Mr. Reza Sotodeh (business acquaintance and friend), Ms. Gelareh Sedaghat (fiancée), and Mr. Bilal Bezetout (business acquaintance and friend) to support his position. I note here that Mr. Sotodeh's testimony was translated from his first language (Farsi).

The investigative sequence of events

- [12] An evidence-based chronological overview of the inspection period provides helpful context for this case.
- [13] OMVIC-generated activity records dated December 4, 2024, establish that Ms. Davidson scheduled an inspection of a new Auto branch—which was approved by OMVIC in October 2024 according to Ms. Davidson's testimony—for December 12, 2024. Those same activity records indicate that Mr. Yousefi subsequently contacted Ms. Davidson by text to request the inspection be postponed to "any time after January 15 [2025]" because he was "unsure" that he could be at the new Auto branch location on the scheduled day. Ms. Davidson accommodated this request by re-scheduling the onsite inspection to January 23, 2025.
- [14] On January 16, 2025, Ms. Davidson sent a reminder email to Mr. Yousefi that specified six documents required to be onsite for inspection. Mr. Yousefi replied to this email the following day to request a second postponement—this one to March 2025—explaining that the new branch was "not ready" because he had changed locations. During his testimony, Mr. Yousefi clarified that the new location was a different unit of the same complex because his lease had been terminated at the previous location.
- [15] Ms. Davidson advised by e-mail on January 17, 2025, that while she was unable to accommodate Mr. Yousefi's request for yet another postponement, she was able to change to a virtual inspection format that would not require an onsite visit. In this e-mail, Ms. Davidson confirmed that she required the same six documents plus 20 "deal files" and a three-part questionnaire for the virtual inspection by 9 a.m. on January 23, 2025.

- [16] Mr. Yousefi then sent an email to Ms. Davidson the day after the inspection deadline passed to advise that his “business partners” has stolen the required documents. Mr. Yousefi also requested further time to comply because he was obtaining legal counsel. On February 6, 2025, Ms. Davidson advised Mr. Yousefi that she was escalating the inspection to her manager, Ms. Marcela Coellar (OMVIC Director of Compliance). Ms. Coellar sent Mr. Yousefi an “avoidance letter” by email on February 10, 2025. This letter reiterated the required documents and added seven additional information requirements in light of Mr. Yousefi’s theft allegations and associated partnership record irregularities. Ms. Coellar confirmed that Mr. Yousefi had until February 14, 2025 to comply.
- [17] On February 14, 2025, Mr. Yousefi contacted Ms. Coellar by email to provide most of the additional information requested in the avoidance letter. In short, Mr. Yousefi related: (1) that he purportedly removed his business partners from the OMVIC portal despite also confirming he had never disclosed them to OMVIC; (2) that he had not reported the theft of required documents to “local authorities;” (3) that the theft of the required documents coincided with his partners starting “illegal activities” and altering vehicle trade records that his accountant is fully aware about; and (4) that the only steps he had taken to retrieve the required documents up to that point was to “talk with his lawyer” and wait to see if the records would be returned.
- [18] Ms. Coellar responded to Mr. Yousefi by email on February 15, 2025, to extend, yet again, the deadline to produce the required documents. This deadline was February 19, 2025, and on that day, Mr. Yousefi emailed Ms. Coellar to request another three to four days to comply without offering any explanation for the delay. Ms. Coellar nevertheless accommodated this request in an email dated February 20, 2025, and set a final deadline of noon on February 24, 2025. However, Mr. Yousefi missed this deadline as well, sending an email to Ms. Coellar on February 25, 2025, that provided only some of the required bank records. Incidentally, Ms. Davidson concluded her inspection that same day and later produced an inspection report that listed the following non-compliance results:
- (a) One count of Auto not completing the garage register pursuant to section 57 of the *Act* and section 60 of the *Highway Traffic Act*, R.S.O. 1990, c. H.8;
 - (b) Four counts of vehicle trade transactions not going through business account pursuant to section 59(3) of the *Act*;

- (c) One count of obstruction—[Auto] failed to provide documents for inspection pursuant to section 15(4) of the *Act*; and
- (d) One count of unregistered salesperson pursuant to section 4(3) of the *Act*.

The appellants failed to provide “reasonably necessary” assistance as required by section 15(4) of the Act and obstructed Ms. Davidson, contrary to section 15(5) of the Act.

- [19] I find the appellants contravened section 15(4) of the *Act* by failing to produce nearly all the documents required by Ms. Davidson—and Ms. Coellar for that matter—during the nearly three-month course of their inspection between December 2024 and February 2025. Ms. Davidson testified that the details of her April 2025 inspection report were accurate, and I accept this evidence shows the appellants had furnished only four of the five required bank statements at the time Ms. Davidson completed the inspection on February 25, 2025. According to that report, the following required documents remained outstanding: (1) warranty documents and proof of warranty remittance payment confirmation for the last 12 months; (2) a garage register; (3) floor plan records for the last five months; (4) an “HST NETFILE” and/or Notice of Assessment for the last 12 months; (5) the deal files for 20 particularized vehicles; (6) an affidavit of stolen vehicles; and (7) the remote inspection questionnaire.
- [20] While Mr. Yousefi maintained that he “did his best” to obtain all the required documents for the inspection, I find he pointed to little evidence that corroborates this testimony. Mr. Reza Sotodeh’s interpreted testimony established only that he cleaned cars at Auto and drove vehicle inventory between Auto’s two business locations. While Mr. Sotodeh also testified that he was aware of relationship problems between Mr. Yousefi and his business partners, he gave different accounts of when these problems occurred and when the required documents were “stolen” that hindered the probative value of his evidence.
- [21] The testimony of Ms. Gelareh Sedaghat and Mr. Bilal Bezetout similarly offered little evidence of Mr. Yousefi providing whatever assistance was reasonably necessary to obtain the required documents during the inspection period. Both testified that they were given photos and names of Mr. Yousefi’s estranged business partners, and instructed by Mr. Yousefi to retrieve equipment and documents from these individuals in the spring months of 2025. I did not place much weight here because these events occurred well after the inspection period concluded in February 2025. Further, when Mr. Bezetout was cross-examined as to why he was asked to retrieve documents from Mr. Yousefi’s former

business partners, he testified that Mr. Yousefi told him: “[Mr. Yousefi] did not want to go there because he has a problem and does not want to meet them.” In my view, this testimony is at odds with Mr. Yousefi’s testimony that he did his best to obtain the documents. In fact, when I together consider all this testimony, I am persuaded that Mr. Yousefi not only failed to take his compliance with inspection requirements seriously, but went further by abdicating his responsibilities under section 15 of the *Act*.

[22] While I accept the required documents were not in Mr. Yousefi’s possession at the time the inspection was scheduled in December 2024, his evidence does little to persuade me he did anything meaningful to comply with the inspection requirements during the inspection period. His hearing brief consists of what he describes as “reasons, proofs, evidence, and witnesses.” I found little of evidentiary value here.

[23] Mr. Yousefi’s brief indicates he “messed” one of the estranged business partners on January 22, 2025, to have the required documents returned. Mr. Yousefi confirmed this in his testimony. I do not consider this to be persuasive evidence of Mr. Yousefi’s “best efforts” to comply with the inspection under the *Act* because he did not produce this message as part of his hearing brief. While Mr. Yousefi testified under cross-examination that he also “talked” to his former business partners about the missing documents several times before the inspection—and again at the time the inspection was announced—he did not point to any corroborating mention of this in his hearing brief or affidavit, and I did not see any such mention at either source or otherwise. I diminished weight on this testimony accordingly.

[24] Even if I were to accept that Mr. Yousefi attempted to resolve the missing documents and thereby comply with inspection requirements by sending a message to his former business partners on January 22, 2025, I would afford it less weight in support of his position that he did his best to comply with the inspection. This is because the message would serve only to establish he did little to obtain the required documents until several days after he disclosed their “theft” to Ms. Davidson on January 17, 2025, and more than a month after the inspection had been scheduled to start. In my view, this effort would fail to meet the threshold of “reasonably necessary” assistance at section 15(4) of the *Act*.

[25] Mr. Yousefi also contends that the inspection was not properly conducted because his estranged business partners were never investigated by Ms. Davidson despite them “freely doing business in the automotive industry under OMVIC licences.” In my view, this matters little in the context of Mr. Yousefi’s

own responsibility under the *Act* to produce the required documents. The parties do not dispute that Mr. Yousefi is the sole director of Auto and therefore is the only person under the *Act* who is accountable to comply with the inspection requirements set out by Ms. Davidson. For what it's worth, however, Mr. Yousefi did not point to evidence that establishes any of these individuals were, in fact, registered as claimed or even that he had disclosed them to OMVIC as partners in Auto. In contrast, Ms. Davidson confirmed she had conducted a record search on one of the individuals and found no evidence of an OMVIC registration.

- [26] Mr. Yousefi's hearing brief references two recordings: the first a "secretly recorded" audio account of a meeting Mr. Yousefi allegedly conducted with his estranged business partners on July 23, 2025, to negotiate the return of the required documents in their possession; and the second an undated video account of what's purportedly the estranged business partners absconding with the required documents after negotiations failed and the meeting ended. I afforded little weight to both recordings. The audio recording was not entered as an exhibit and the "official translation" that was reportedly "under preparation" at the time the hearing brief was filed was ultimately not produced for the hearing. Therefore, the recording failed to (1) "[prove] everything I stated to OMVIC since January 17, 2025;" (2) "[explain] why the documents were submitted late;" or (3) "[u]ltimately forced them to return the documents."
- [27] Turning then to the video, I accept that the individual being recorded appears to be hiding something under his shirt and repeatedly evading attempts to reveal these items. This is also evident in the video stills included as part of the appellants' hearing brief. However, I find this evidence falls short of establishing, on a balance of probabilities, Mr. Yousefi's claims that the video depicts one of his estranged business partners absconding with the required documents. Whatever is being concealed under this person's shirt is never seen throughout the video. While the video stills show a different individual with what appears to be documents in his possession, these documents are not distinguishable as being related to the inspection or even to the appellants for that matter.
- [28] Mr. Yousefi did not present persuasive evidence of police involvement in this matter. His hearing brief indicates he called police at the conclusion of his July 2025 meeting, and that police arrived as his estranged business partners were "escaping" with the appellants' documents. However, contrary to Mr. Yousefi's testimony and hearing brief, the video does not show any police and I am unaware of any partial audio recording of his interaction with police in evidence. There is, however, a screen shot that partially depicts the faces of two uniformed police officers. I placed little weight on this evidence because it bears a

timestamp of “July 30 at 8:17 a.m.,” which is at odds with the bulk of other evidence that suggests police arrived after the meeting ended sometime around 5 p.m. on July 23, 2025. And while Mr. Yousefi’s brief also mentions “Police Report Number 1538393,” this document is not included in his hearing brief and therefore fails to provide evidence that corroborates the theft of the appellants’ documents.

[29] I reject Mr. Yousefi’s argument that he was “not guided properly,” during the inspection process, despite Ms. Davidson agreeing during cross-examination that she never told Mr. Yousefi he could otherwise obtain the required documents without relying on his former business partners. This is because Mr. Yousefi testified during cross examination that he knew the required documents were not available to him as early as November 2024 when the lease for his new Auto location was terminated. Given Mr. Yousefi’s untimely disclosure of the missing documents to Ms. Davidson, he could not have anticipated Ms. Davidson’s “guidance” until well over a month after the inspection started. Given too, Mr. Yousefi’s remarkable testimony that he deliberately withheld the status of the documents from Ms. Davidson because it would look “bad” and he “did not want to engage OMVIC” about why the documents were missing, I find that Mr. Yousefi obstructed Ms. Davidson per section 15(5) of the *Act*. In any event, Mr. Yousefi failed to show, with evidence, that he asked Ms. Davidson for guidance at any point during the inspection period. When I consider the activity records and emails up to February 2025 when Ms. Davidson concluded her inspection, I find no evidence of Mr. Yousefi asking Ms. Davidson for guidance.

[30] In my view, it matters little that Mr. Yousefi eventually produced all the required documents by November 2025 because this is nine months after the inspection ended and seven months following the inspection report completed by Ms. Davidson. While Mr. Yousefi’s hearing brief and testimony convey he was presented with an opportunity by his previous landlord to take custody of all the missing required documents on July 29, 2025, Mr. Yousefi also confirmed he declined to do so because he refused to negotiate a signed receipt for these documents. Then, when cross-examined about the missing warranty documents specifically, Mr. Yousefi testified that he “made a mistake and did not understand” that the requirement for warranty documents extended to both Auto locations, but nevertheless continued to maintain that Ms. Davidson contributed to his non-compliance on this item because she did not disclose that these documents could be directly obtained from the warranty provider. By his account, Mr. Yousefi delayed submitting the “stolen” documents affidavit until May 2025 because “he was still trying to obtain the required documents,” which strikes me as an untenable position.

[31] In fact, Ms. Davidson recalled during direct examination that the bulk of the outstanding required documents only started to be produced in October 2025, and that she received the last one in November 2025. This was not disputed by Mr. Yousefi. When I consider all this evidence together, I find Mr. Yousefi's disclosures are ultimately untimely and do not mitigate his failure to comply with section 15 of the *Act*, which required him to produce documents and provide whatever assistance is reasonably necessary to do this **in the course of the inspection.**

Is the revocation of the licenses for Mr. Yousefi as a motor vehicle salesperson, and/or Auto as a motor vehicle dealer, appropriate?

[32] My analysis of whether revocation is an appropriate sanction in this case leads me to first consider that, throughout the hearing, Mr. Yousefi demonstrated that his inspection experience imparted little insight about his responsibilities and accountability as the director of a motor vehicle dealership. He repeatedly minimized his accountability to Auto by adopting a victim-mentality and putting blame on Ms. Davidson for his own failure to produce required documents. He did this by suggesting that Ms. Davidson was responsible to guide him to other sources of required documents and directly follow up with his former business partners to obtain these records. However, Mr. Yousefi did not show me—in law, policy, or otherwise—that Ms. Davidson was obligated to do this or that it would even be appropriate. In contrast, section 15 of the *Act* clearly puts the onus on Mr. Yousefi to provide Ms. Davidson with whatever assistance is reasonably necessary. Further, I find Mr. Yousefi's reliance on two of his witnesses to discharge responsibilities under the *Act* that he did not want to undertake himself to be an aggravating factor. Indeed, there is scant evidence to persuade me that Mr. Yousefi did anything more to assist with the retrieval of the required documents up to the end of July 2025—five months after the inspection concluded—than simply wait for his partners to return them.

[33] I also placed weight on Mr. Yousefi's submission that he did not require his salesperson's registration if Auto's registration was revoked. This was a significant factor in my analysis. While I am satisfied that Auto's registration as a motor vehicle dealership should be revoked owing to Mr. Yousefi's past conduct as its director, I would have been prepared to allow Mr. Yousefi to retain his salesperson registration under conditions that he be directly supervised by an OMVIC-approved director, such that he would have an opportunity to learn how to operate a dealership in compliance with the *Act* and come to better appreciate the seriousness of these responsibilities. However, given Mr. Yousefi's clear and

adamant disinterest in retaining his salesperson licence if he is without his own dealership to operate, I find little justification for substituting the respondent's opinion and attaching conditions to Mr. Yousefi's salesperson registration.

ORDER

- [34] I direct the respondent to carry out its revocation order of July 3, 2025, in full. Given the operability of my order, the ITSO is spent.

Released: February 11, 2026



Michael Beauchesne
Adjudicator