

DISCIPLINE DECISION

REVIEWING PANEL: Greg Flude, Public Member
Jon Lemaire Registrant Member
Paul Repar, Registrant Member

IN THE MATTER OF A DISCIPLINE HEARING HELD PURSUANT TO THE MOTOR
VEHICLE DEALERS ACT, 2002, S.O. 2002, c.30, Sch. B

B E T W E E N :

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| ONTARIO MOTOR VEHICLE INDUSTRY COUNCIL |) |
| - and - |) |
| CIOTUCHA ENTERPRISE LTD. o/a THUNDER BAY HARLEY- DAVIDSON/ FLEET AUTO & TRUCK REPAIRS |) |
| - and - |) |
| THEODORE CIOTUCHA |) |
| - and - |) |
| KENNY ARMENTI |) |

This matter proceeded by way of Rule 1.07 of the Rules of Practice before the Discipline Tribunal and the Appeals Tribunal. This Reviewing Panel has reviewed and considered written materials from the Parties together with a waiver of the requirement for an oral hearing and hereby makes the following Order:

Date of Decision: April 2, 2026

Findings: Ciotucha Enterprise Ltd. o/a Thunder Bay Harley- Davidson/
Fleet Auto & Truck Repairs (the “Dealer”) has breached the
following:

- Sections 4(2), 6(1) and 9(3) of the Code of Ethics, O. Reg. 332/08

Theodore Ciotucha (“Ciotucha”) has breached the following:

- Sections 6(2) and 9(3) of the Code of Ethics, O. Reg. 332/08

Kenny Armenti (“Armenti”) has breached the following

- Sections 4(2), 6(2) and 9(3) of the Code of Ethics, O. Reg. 332/08

Order:

1. The Dealer shall pay a fine in the amount of **\$2,500** no later than ninety (90) calendar days from the date of the Discipline Tribunal’s Order.
2. The Dealer shall **offer** to all current and future salespersons, employed by the Dealer, to **fund** their completion of the Automotive Certification Course, no later than ninety (90) calendar days from the date of the Discipline Tribunal’s Order.
3. Ciotucha shall successfully complete the MVDA Key Elements Course no later than ninety (90) calendar days from the date of the Discipline Tribunal’s Order.
4. Armenti shall successfully complete the MVDA Key Elements Course no later than ninety (90) calendar days from the date of the Discipline Tribunal’s Order.

Overview

1. This matter proceeded on the basis of an Agreed Statement of Facts, dated December 2, 2025, a jointly proposed disposition and a waiver of oral hearing, pursuant to Rule 1.07 of the Rules of Practice before the Discipline Tribunal and the Appeals Tribunal. The Agreed Statement of Facts states in relevant part as follows:

Background

1. The Dealer was first registered as a motor vehicle dealer under the Act in and around January 2006.
2. Ciotucha was first registered as a salesperson under the Act in and around May 1982. At all material times, Ciotucha has been an Officer and Person in Charge of the day-to-day activities of the Dealer.
3. Armenti was first registered as a salesperson under the Act in and around January 2011. At all material times, Armenti has been a salesperson of the Dealer.

OMVIC Publications

4. Since the Act was proclaimed in 2010, OMVIC has issued various educational materials, including publications, webinars and guidelines, reminding registrants of their all-in pricing obligations. Educational materials continue to be available on OMVIC's website

Dealer's Non-Compliance:

5. On or before July 12, 2025, the Dealer published an advertisement for a red 2019 Harley-Davidson FLHRXS Road King Special (VIN*** 630514), with an advertised price of \$19,500, plus taxes and licensing. The advertisement did not indicate whether the price was for a cash purchase or financing.

6. On or about July 16, 2025, a representative of OMVIC (the "Representative") made inquiries about the vehicle, while posing as a member of the public (also known as a 'mystery shop').

7. A price sticker attached to the vehicle at the Dealer's premises indicated that a \$407.50 OMVIC & Administrative fee had been added above the vehicle's advertised price.

8. Armenti, acting on behalf of the Dealer, provided the Representative with an "Offer to Purchase" document, which confirmed that the following required fees had been added above the vehicle's advertised price.

- a. \$12.50 Del/PPSA/VSI fee
- b. \$395 Document/ Administrative fee

9. The additional \$395 administration fee and \$12.50 Del/PPSA/VSI fee, result in a total of \$407.50, which was added above the advertised vehicle price.

10. As a result, the Dealer's advertised vehicle price was not all-inclusive. This is contrary to section 36(7) of O. Reg. 333/08, as well as sections 4(2), 6(1) and 9(3) of the Code of Ethics.

Ciotucha's Non-Compliance:

11. Ciotucha, as a Person in Charge, failed to ensure that the Dealer conducted its business in compliance with the Act, its regulations, and the Code of Ethics and thus personally contravened sections 6(2) and 9(3) of the Code of Ethics.

Armenti's Non-Compliance:

12. In regard to the above-noted vehicle, Armenti engaged in the trade of a vehicle in a manner that is contrary to sections 4(2) and 9(3) of the Code of Ethics and also caused the Dealer to contravene the Act, its regulations, and the Code of Ethics and thus personally contravened sections 6(2) and 9(3) of the Code of Ethics.

Code of Ethics Violations

13. As particularized above, the Dealer and Armenti have violated the following section of the Code of Ethics:

Disclosure and marketing

s. 4(2) A registrant shall ensure that all representations, including advertising, made by or on behalf of the registrant in connection with trading in motor vehicles, are legal, decent, ethical and truthful.

14. As particularized above, the Dealer, Ciotucha and Armenti have violated the following section of the Code of Ethics:

Professionalism

s. 9(3) A registrant shall use the registrant's best efforts to prevent error, misrepresentation, fraud or any unethical practice in respect of a trade in a motor vehicle.

15. As particularized above, Ciotucha and Armenti have violated the following section of the Code of Ethics:

Accountability

s. 6(2) A registered salesperson shall not do or omit to do anything that causes the registered motor vehicle dealer who employs or retains the salesperson to contravene this Regulation or any applicable law with respect to trading in motor vehicles.

16. As particularized above, the Dealer has violated the following section of the Code of Ethics:

Accountability

s. 6(1) A registered motor vehicle dealer shall ensure that every registered salesperson that the dealer employs or retains to act as a salesperson carries out his or her duties in compliance with this Regulation

Decision of the Reviewing Panel

2. Having reviewed and considered the Agreed Statement of Facts and written submissions provided by the Parties, the Reviewing Panel is satisfied that the evidence contained in the Agreed Statement of Facts substantiates the allegations that:

- a. the Dealer has breached Sections 4(2), 6(1) and 9(3) of the Code of Ethics,
- b. Theodore Ciotucha has breached Sections 6(2) and 9(3) of the Code of Ethics, and
- c. Kenny Armenti has breached Sections 4(2), 6(2), and 9(3) of Code of Ethics.

3. The Reviewing Panel accepted the parties' proposed resolution for the reasons below.

Reasons for Decision

4. In reviewing the joint submission on penalty, the Reviewing Panel must determine if the proposed resolution is in the public interest or if it is so unhinged from the circumstances of the impugned behaviour that a reasonable person would believe that the justice system has broken down. In doing this analysis, the Reviewing Panel must bear in mind the aims of levying an administrative penalty: specific deterrence of the offender, general deterrence for the motor vehicle sales industry, and rehabilitation and remediation for these particular offenders. Dealing

with the last of these first, there is an education requirement for each of the personal applicants that, it is hoped, will educate and encourage regulatory compliance in the future.

5. In considering the monetary penalty, the Reviewing Panel notes the following:

Aggravating Factors

- a. There is one impugned trade at issue involving a breach of the all-in pricing regulations.

Mitigating Factors

- b. The Applicants have accepted responsibility for their actions as evidenced by entering into an agreed statement of facts and joint submission on penalty.
- c. This is the Applicants' first appearance before the Discipline Tribunal

Other Factors

- d. The Reviewing Panel does not accept the fact that no consumer was harmed by this interaction as a mitigating factor. It was, as far as the Dealer was concerned on the day, a consumer transaction. The Dealer cannot use the fact that in this instance it was a mystery shop to suggest its breach of the Code of Ethics was somehow less culpable than a sale to actual consumer.

6. Having considered all the factors, the Reviewing Panel finds that the proposed penalty is in line with other penalties imposed by the Discipline Tribunal for similar behaviour. The amount is sufficient to signal to the industry that breaches of the regulations are serious offences.

7. The Panel is satisfied that the agreed upon penalty satisfies the sentencing principles of specific and general deterrence, maintains public trust, meets the objectives of rehabilitation and remedial action, and that the proposed penalty is in the public interest. The parties are thanked for working towards a resolution short of the need for a hearing.

Dated: April 2, 2026

Ontario Motor Vehicle Industry Council
Discipline Tribunal



Greg Flude, Public Member

On behalf of:
Jon Lemaire, Registrant Member
Paul Repar, Registrant Member