DISCIPLINE COMMITTEE OF THE ONTARIO MOTOR VEHICLE INDUSTRY COUNCIL

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

BETWEEN:

REGISTRAR, MOTOR VEHICLE DEALERS ACT, 2002

- and -

2129893 ONTARIO INC o/a DELUXE MOTORSPORTS GROUP

- and -

OMID HAMIDZADEH FARD

AGREED STATEMENT OF FACTS AND PENALTY

2129893 Ontario Inc o/a Deluxe Motorsports Group and Omid Hamidzadeh have breached the following:

Section 4 of the Code of Ethics, Regulation 332/08

Section 9 of the Code of Ethics, Regulation 332/08

SUMMARY OF AGREEMENT

The parties to this proceeding agree that:

1. 2129893 Ontario Inc o/a Deluxe Motorsports Group (the "Dealer") was first registered as a motor vehicle dealer in about November 2016. Omid Hamidzadeh Fard ("Fard") was first registered as a motor vehicle salesperson in about September 2000. At all material times, Fard was the sole officer and Person in Charge of the Dealer.

- Fard successfully completed the Automotive Certification Course on or about August 9, 2016.
- 3. On about November 17, 2016, Fard executed terms and conditions of registration on behalf of the Dealer. Per condition 1, the Dealer agreed to comply with the Code of Ethics as set out in Regulation 332/08 and the Standards of Business Practice, as may be amended from time to time. Moreover, the Dealer also agreed to read all correspondence and bulletins released by the Ontario Motor Vehicle Industry Council (OMVIC).

OMVIC Publications:

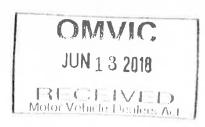
- 4. Since the Act was proclaimed, OMVIC has issued numerous Dealer Standard publications reminding dealers of the requirement to advertise all inclusive vehicle prices ("all-in pricing"). Specifically, the following publications have been issued by OMVIC since the Dealer became registered in the industry:
 - a. Issue #4 2016
 - b. Issue #2 2017
- 5. Furthermore, OMVIC also issued the following recent bulletins which reminded dealers of their all-in pricing advertising obligations:
 - a. July 2017
 - b. August 2017

Direct Correspondence with Dealer:

6. During a new dealer inspection on or about November 29, 2016, a representative of the Registrar discussed the advertising regulations with Fard, on behalf of the Dealer.

Consumer complaint:

- 7. On or before October 16, 2017, the Dealer advertised a 2010 Mercedes Benx GLK (Stock #D0227T) with a selling price of \$17,999 plus tax and licensing fees. On this same date, a consumer made inquiries about this vehicle. Fard, on behalf of the Dealer, advised the consumer that the advertised vehicle price did not include the following nonnegotiable extra fees:
 - a. \$690 safety
 - b. \$199 licensing
 - c. \$10 OMVIC fee
- 8. As such, the Dealer's advertised price was not all-inclusive, contrary to section 36(7) of Regulation 333/08, as well as sections 4 and 9 of the Code of Ethics.



9. Moreover, Fard's conduct has caused the Dealer to breach condition 1 of the Dealer's terms and conditions of registration, and is therefore contrary to section 9 of the Code of Ethics.

By failing to comply with the following Regulations of the Motor Vehicle Dealers Act, 2002,

36. Advertising:

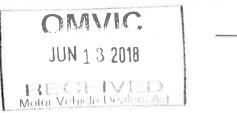
- 7. If an advertisement indicates the price of a motor vehicle, the price shall be set out in a clear, comprehensible and prominent manner and shall be set out as the total of,
 - (a) the amount that a buyer would be required to pay for the vehicle; and
 - (b) subject to subsections (9) and (10), all other charges related to the trade in the vehicle, including, if any, charges for freight, charges for inspection before delivery of the vehicle, fees, levies and taxes.

It is thereby agreed that the Dealer and Fard have breached the following sections of the Code of Ethics, as set out in Regulation 332/08:

- 4. 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.
- 9. In carrying on business, a registrant shall not engage in any act or omission that, having regard to all of the circumstances, would reasonably be regarded as disgraceful, dishonourable, unprofessional or unbecoming of a registrant.

JOINT SUBMISSION ON PENALTY:

- 1. The Dealer agrees to pay a fine in the amount of \$1,250 no later than July 16, 2018.
- 2. Fard agrees to successfully complete the Automotive Certification Course no later than **November 15, 2018**.
- 3. The Dealer agrees to ensure that all sales staff employed by the Dealer review the August 2017 OMVIC advertising webinar. The Dealer will provide OMVIC with written confirmation from each of its sales staff that the Dealer has complied with this requirement, no later than July 16, 2018.
- 4. The Dealer is ordered to offer all of its current sales staff, and all new sales staff it retains in the future, the opportunity to complete the Automotive Certification Course. Current sales staff will be offered the course no later than <u>July 16, 2018</u>. Future sales staff will be offered the course within 90 days of being retained in this capacity. The Dealer will incur all costs associated with this. It is understood between the parties this



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- clause does not apply to sales staff who have already completed the course or who are otherwise not required to complete the course pursuant to the Act.
- 5. The Dealer and Fard agree to comply with the Act and the Standards of Business Practice, as may be amended from time to time.



By signature below, I acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions and that I exercised my right to be represented by Counsel or agent in this matter. I understand, acknowledge and consent to waive the requirement for a hearing and to request an Order from the Chair of the Discipline Committee that includes this Agreed Statement of Facts and Penalty as a final settlement of this matter.

, ,
DATED AT This DAY OF JULE , 2018
Omid Hamidzadeh Fard
(signature)
(signature)

By signature below, I acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions and that I exercised my right to be represented by Counsel or agent in this matter. I understand, acknowledge and consent to waive the requirement for a hearing and to request an Order from the Chair of the Discipline Committee that includes this Agreed Statement of Facts and Penalty as a final settlement of this matter.

I have the authority to bind the corporation: 2129893 Ontario Inc o/a Deluxe Motorsports Group JUN 1 3 2018

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